**ASIAN MINERAL RESOURCES LIMITED**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**
**(Expressed in Canadian dollars, in accordance with IFRS)**

**QUARTER ENDED MARCH 31, 2020**

The following discussion of the operating results and financial position of Asian Mineral Resources Limited (the "Company" or "AMR") should be read in conjunction with the Company's consolidated financial statements and related notes for the fiscal year ended December 31, 2019, which have been prepared in accordance with International Financial Reporting Standards (IFRS), were prepared by management and are available on the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com. Amounts are in Canadian dollars unless otherwise stated. References to "the Company", "AMR", "we", "our" and "us" means Asian Mineral Resources Ltd., its predecessors and consolidated subsidiaries, or any one or more of them, as the context requires.

This MD&A has been prepared as of May 30, 2020,with reference to Instrument 51-102 "Continuous Disclosure Obligations" of the Canadian Securities Administrators.

**Forward-Looking Information**

This management discussion and analysis ("**MD&A**") contains "forward-looking information," which may include, but is not limited to, statements with respect to the future financial or operating performance of the Company, its projects, future metal prices, the estimation of mineral reserves and mineral resources, the realization of mineral reserve and resource estimates, the timing and amount of estimated future production, revenues, margins, costs of production, estimates of initial capital, sustaining capital, operating, and exploration expenditures, costs and timing of the development of deposits, costs and timing of future exploration, requirements for additional capital, foreign exchange risks, governmental regulation of mining operations and exploration operations, timing and receipt of approvals, consents and permits under applicable mineral legislation, environmental risks, title disputes, or claims, limitations of insurance coverage and regulatory matters. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "targets", "aims", "anticipates" or "believes" or variations (including negative variations) of such words and phrases, or may be identified by statements to the effect that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved.

Forward-looking statements involve known and unknown risks, uncertainties and a variety of material factors, many of which are beyond the Company's control which may cause the actual results, performance or achievements of AMR, its subsidiaries and affiliated companies to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Readers are cautioned that forward-looking statements may not be appropriate for other purposes than outlined in this document. Such factors include, among others, future metal prices; general business, economic, competitive, political and social uncertainties; the actual results of current exploration and development activities; conclusions of economic evaluations and studies; fluctuations in the value of the U.S. dollar relative to the local currencies in the jurisdictions of the Company's key projects; changes in project parameters as plans continue to be refined; possible variations of ore grade or projected recovery rates;

accidents, labour disputes or slow-downs and other risks of the mining industry; climatic conditions; political instability; labour force availability and turnover; delays in obtaining financing or governmental approvals or in the completion of exploration and development activities; as well as those factors referred to in the section entitled "Risks and Uncertainties" section of the MD&A. The reader is also cautioned that the foregoing list of factors is not exhausted of the factors that may affect the Company's forward-looking statements.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this document and, except as required by applicable law, the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

In addition, please note that statements relating to "reserves" or "resources" are deemed to be forward-looking information as they involve the implied assessment, based on certain estimates and assumptions, that, the resources and reserves described can be profitably mined in the future.

**BUSINESS**

The Company was originally incorporated pursuant to the *New Zealand Companies Act* 1993. Effective December 31, 2004, it was continued as a British Columbia corporation under the *British Columbia Business Corporations Act*. The Company owned, until July 17, 2018, 100% of AMR Nickel Limited ("**AMRN**"), which was incorporated pursuant to the laws of the Cook Islands. Through AMRN, the Company owned 90% of Ban Phuc Nickel Mines LLP ("**BPNM**"), a limited liability company which developed the Ban Phuc nickel mine.

The Ban Phuc operation mined over 0.976 million tonnes of ore over a 3.5 year mine life, producing 20,988 tonnes of nickel and 10,245 tonnes of copper in concentrate. There were 220,262 dmt of concentrate in 42 shipments with gross revenues of US $212.7 million. In total, 11.9 kms of decline and lateral development were completed. The operation successfully employed local workers, where at its peak, there was a 94% national workforce. The mine was placed on care and maintenance in October 2016, reflecting lower commodity prices and the short reserve life.

Following a strategic review in late 2017 and early 2018, the Company determined that the best recourse was the disposal of all assets comprising the Vietnam operations. As approved by the AMR shareholders at the annual general meeting, on July 17, 2018, the Company sold its shares of AMRN.

The Company entered into an option agreement with Island Time Exploration Limited ("**Island Time**"), in the second half of 2018, amended in early 2020 for the exclusive right to acquire up to 75% interest in four mineral titles totalling 3,687 hectares situated east of Duncan in the Victoria Mining Division, (the "**Holt Option Agreement**"), whose primary target is volcanogenic, polymetallic massive sulphides, in consideration for a fee of $100,000, payable by way of a promissory note, and conditional upon incurring up to an aggregate of $300,000 of exploration and development expenditures on the property on or before December 1, 2021.

**Decklar Share Purchase Agreement**

On November 20, 2019 the Company announced that it had entered into an agreement to acquire all the issued and outstanding shares of Nigerian-based Decklar Petroleum Limited (“Decklar”). Decklar’s sole asset is a Risk Service Agreement (“RSA”) with Millenium Oil and Gas Company Limited (“Millenium”). Millenium is the owner of the Oza Field located onshore in the northern part of Oil Mining License 11 in the Eastern Niger Delta of Nigeria. The RSA entitles Decklar to cost recovery and a share of distributable funds from the Oza Field in exchange for technical and financial support. Closing of the proposed acquisition is subject to certain customary conditions, including the exercise of at least 10,000,000 of the 13,333,333 outstanding common share purchase warrants of the Company (“Warrants”) and approval by the TSX Venture Exchange.

The aggregate purchase price is CDN$8,550,000, payable through the issuance of 30,000,000 common shares of the Company (“**Shares**”) based on a deemed value of CDN$0.285 per share. Of the aggregate Purchase Price, 22,000,000 Shares are payable upon closing of the Acquisition with the balance of 8,000,000 Shares being payable only if the Oza Field achieves a minimum production rate within 12 months of closing as more fully described below.

The 22,000,000 Shares payable upon closing of the transaction will be allocated as to: (i) 14,000,000 Shares to the shareholders of Decklar; and (ii) 8,000,000 Shares to extinguish outstanding debt owed by Decklar to certain arm’s length third parties. The Purchase Price is equivalent to approximately 68.6% of the Company’s issued share capital including the assumed exercise of 10,000,000 Warrants to be exercised (based on 32,079,770 Shares issued and outstanding). Post-closing, the Purchase Price is equivalent to approximately 40.7% of the Company’s issued share capital including the assumed exercise of 10,000,000 Warrants (based on 54,079,770 Shares issued and outstanding). None of the Decklar shareholders nor third party debt providers are related to the Company and the Acquisition is not a Non-Arm’s Length transaction within the meaning of the policies of the TSXV.

In the event the Oza Field achieves production net to Millenium of 1,000 bbls/d for a period of ten (10) consecutive days in any thirty (30) day period within twelve (12) months of the date of closing, a bonus payment of a further 8,000,000 Shares is payable to the shareholders of Decklar.

The Oza Field was formerly operated by Shell Petroleum Development Company of Nigeria Ltd. (“Shell”). The field has three wells and one side track drilled by Shell between 1959 and 1974. During the period when Shell was the operator, there were two periods of extended production testing from the Oza-1, -2 & -4 wells. The field was never tied into an export facility nor was it fully developed by Shell and put into commercial production.

In 2003, the Oza Field was awarded to Millenium having won the bid during the Marginal Fields Licensing Round. Since Millenium’s acquisition of the Oza Field in 2003, approximately US$45 million has been spent in production facilities infrastructure in support of a restart of production including an export pipeline to tie the field into the Shell Trans Niger Pipeline (TNP) pipeline to the Bonny Export Terminal, a lease automatic custody transfer (LACT) unit fiscal metering system, infield flowlines, manifolds and a rental Early Production Facility. The RSA with Millenium provides Decklar a share of production and associated cash flow from the Oza Field in exchange for funding and technical assistance to restart commercial production and full field development; including a preferential return of its costs plus a share of cash flow thereafter. More specifically, Decklar intends to undertake a low cost re-entry and testing of one of the existing wells to assess the development potential of the Oza Field. In exchange, Decklar is entitled to priority recovery of its capital from 80% of distributable funds. After achieving cost recovery, Decklar's profit share is based on a sliding scale starting at 80% and declining to 40% once cumulative production exceeds 10 million bbls.

**First Quarter 2020 Highlights**

1) In March 2020, the Company amended its Share Purchase Agreement with Decklar, in order to extend the time to close the transaction initially until March 31, 2020 and then until September 30, 2020 and incurred a $250,000 fee to Decklar for such extension.

2) During the month of March 2020 warrant holders exercised 2,500,000 warrants resulting in the issued of 2,500,000 treasury common shares of the Company on receipt of the $250,000 exercise price.

3) March 2020, the World Health Organization declared a global pandemic related to the virus known as COVID-19. The expected impacts on global commerce are anticipated to be far reaching. To date there have been significant wide-spread stock market declines and the movement of people and goods has become restricted, affecting supply, demand and pricing for many products.

The mineral exploration sector is expected to be impacted significantly as many local and regional governments have issued public health orders in response to COVID-19, including restricting the movement of people, which could impact the Company's ability to access its mineral property and complete exploration programs in the coming year. Commodity prices have fluctuated significantly since December 31, 2019 in the wake of the COVID-19 pandemic.

As the Company does not have production activities, it is reliant on additional financing to fund ongoing general and administrative costs. An extended disruption may affect the Company's ability to obtain additional financing.

The impact of these factors on the Company is not yet determinable; however they may have a material impact on the Company's financial position, results of operations and cash flows in future periods.

**Subsequent Events**

During the month of May 2020 warrant holders exercised 966,666 warrants resulting in the issue of 966,666 treasury common shares of the Company on receipt of $96,666 total exercise price.

## FINANCIAL SUMMARY

### Selected Annual Information

| | Quarter to March 31, 2020 | Quarter to March 31, 2019 | Quarter to March 31, 2018 |
|---|---|---|---|
| Interest income | $2,454 | $307 | $814 |
| Net loss | ($269,339) | ($29,853) | ($768,758) |
| Net loss per common share (basic) | ($0.02) | ($0.00) | ($0.19) |
| Net loss per common share (diluted) | ($0.02) | ($0.00) | ($0.19) |
| Total assets | $587,498 | $265,152 | $1,431,476 |
| Total non-current liabilities | Nil | Nil | $1,696,857 |

### Additional Disclosure for Venture Issuers without Significant Revenue (all figures relate to the Ban Phuc Property)

| | 2020 | 2019 | 2018 |
|---|---|---|---|
| Expensed exploration costs | Nil | $850 | ($37,645) |
| Expensed research and development costs (net of depreciation) | Nil | Nil | Nil |
| Building, infrastructure, mine, plant, machinery, motor vehicles (net of depreciation) | Nil | Nil | Nil |
| Furniture and office equipment, licences and franchises (net of depreciation/amortization) | Nil | Nil | Nil |
| Construction in progress | Nil | Nil | Nil |

### Results of Operations for the Quarter Ended March 31, 2020

For the three months ended March 31, 2020 and 2019, AMR incurred net losses of $269,339 or $0.01 (fully diluted $0.01) per share and a net loss of $29,853 or $0.00 (fully diluted $0.00) per share, respectively.

The detailed operating results for the three months ended March 31, 2020 and 2019 as follows:

| | 2020 | 2019 |
|---|---|---|
| General administrative expenses | | |
| Salaries, wages, and benefits | $ (18,650) | $ (17,825) |
| Office, administrative, and share-based compensation | (29,430) | (10,216) |
| Exploration recovery (expense) | - | (850) |
| Finance income | 2,454 | 307 |
| Finance expenses | (713) | (1,269) |
| Decklar transaction costs | (250,000) | - |
| Loss for the period | $ (296,339) | $ (29,853) |

General administrative expenses:

- The cost of salaries reflect head office wages.
- Office, administrative, and share-based compensation costs increased to $29,430 in the first quarter of 2020 from $10,216 in the similar 2019 quarter, reflecting costs related to the annual general shareholder's meeting and TSXV sustaining fees paid earlier in the year during 2020.

There were no exploration costs during the 2020 first quarter. During the first quarter of 2019 $850 costs related to the preparation of the Holt 43-101 technical report, were incurred.

Decklar transaction costs of $250,000 reflect the fee paid to extend the share purchase agreement entered into in 2019, which proposes the purchase of all the issued and outstanding shares of Nigerian-based Decklar Petroleum Limited.

**LIQUIDITY AND CAPITAL RESOURCES**

In the 2019 third quarter the Company i) completed a non-brokered private placement of 8,533,333 units at a price $0.075 per unit, for aggregate gross proceeds of $640,000 and ii) issued 4,800,000 units at $0.075 per unit in connection with $360,000 of investment advances received in late 2018. Each unit consists of one common share of the Company, and one common share purchase warrant entitling the holder to acquire one common share at a price of $0.10 per common share for 24 months.

On November 20, 2019 the Company announced that it has entered into an agreement to acquire all the issued and outstanding shares of Decklar Petroleum Limited. The acquisition will be paid for by issuing up to 30,000,000 common shares of the Company and is subject to certain customary conditions, including the exercise of at least 10,000,000 of the 13,333,333 outstanding common share purchase warrants of the Company. The warrants are exercisable at $0.10 and would bring $1,000,000 of cash to treasury. During the 2020 first quarter 2,500,000 of these warrants were exercised resulting in a total exercise price of $250,000.

As at March 31, 2020, the Company had on hand cash and cash equivalents of $455,100 (2019: $493,045) and had working capital of $322,102 (2019: $368,443). These funds should cover all corporate administrative costs and minimum required Holt property exploration costs for the next year. Additional financing may be needed to develop strategic assets of the Company. Additional financing may not be available when needed or, if available, the terms of such financing might not be favourable to the Company and might involve substantial dilution to existing shareholder.

The Company had the following contractual obligations at March 31, 2020:

| | **Payment due by period** | | |
|---|---|---|---|
| | **Total** | **Less than 1 year** | **1 – 3 years** |
| Promissory note to Island Time | $ 57,639 | $ 57,639 | |
| Due to related parties (1) | 13,650 | 13,650 | - |
| Total | $ 71,289 | $ 71,289 | - |

(1) Represents consulting fees payable to an executive officer.

**Summary of Quarterly Results**

| | **Mar 31, 2020** | **Dec 31, 2019** | **Sept 30, 2019** | **Jun 30, 2019** | **Mar 31, 2019** | **Dec 31, 2018** | **Sept 30, 2018** | **Jun 30, 2018** |
|---|---|---|---|---|---|---|---|---|
| **Sale revenues** | - | - | - | - | - | - | - | - |
| **Finance income** | $2,454 | $2,464 | $1,689 | $194 | $307 | $405 | $183 | $143 |
| **Care & maintenance costs** | - | - | - | - | - | - | - | ($63,348) |
| **General & administrative (expenses) recovery** | ($48,080) | ($57,835) | ($70,954) | ($48,493) | ($28,041) | $108,853 | ($114,277) | ($387,196) |
| **Exploration (expense) recovery** | - | - | - | - | ($850) | - | - | $198,164 |
| **Other/ Decklar transaction costs** | ($250,000) | ($112,358) | $27 | $(99) | - | $1 | - | $4,310 |
| **Finance expense** | ($712) | ($829) | ($1,330) | ($1,299) | ($1,269) | ($63,568) | ($40,704) | ($40,763) |
| **Lawsuit settlement** | - | - | - | - | - | (300,000) | | - |
| **Gain on sale of Vietnam operations** | - | - | - | - | - | 62,173 | 20,484,426 | - |
| **Net Income (Loss)** | ($296,339) | ($168,559) | ($70,568) | ($49,696) | ($29,853) | ($192,136) | $20,329,628 | ($288,690) |
| **Income (Loss) per share (non-diluted)(1)** | ($0.01) | ($0.00) | ($0.01) | ($0.01) | ($0.00) | ($1.07) | $5.11 | ($0.07) |
| **Income (Loss) per share (diluted)(1)** | ($0.01) | ($0.00) | ($0.01) | ($0.01) | ($0.00) | ($1.07) | $5.11 | ($0.07) |
| **Total Assets** | $587,498 | $620,011 | $733,169 | $219,102 | $265,152 | $302,390 | $138,158 | $1,506,997 |

## SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

In the application of the group's accounting policies, which are described in Note 3 of the notes to the consolidated financial statements, management is required to make judgments, estimates, and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgments that management has made in the process of applying the group's accounting policies and that have the most significant effect on the amounts recognized in the Financial Statements:

### Basis of presentation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

### Going Concern

As at March 31, 2020, the Company had cash and cash equivalents of $455,100 and working capital of $322,102.

The Company has not recorded revenues from operations, has no source of operating cash flow and no assurance that additional funding will be available. These factors indicate the existence of an uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. There can be no assurance that the Company will be able to obtain requisite financing in the future and, if realized, such financing might not be favourable to the Company and might involve substantial dilution to existing shareholders. Should the Company not be able to continue as a going concern, adjustments to the carrying values and classification of its assets and liabilities would be required.

In the fall of 2019 the Company i) completed a non-brokered private placement of 8,533,333 units at a price $0.075 per unit, for aggregate gross proceeds of $640,000 and ii) issued 4,800,000 units at $0.075 per unit in connection with $360,000 of investment advances received in late 2018. Each unit consisted of one common share of the Company, and one common share purchase warrant entitling the holder to acquire one common share at a price of $0.10 per common share for 24 months. Part of the proceeds was used to settle outstanding debts and to investigate new business opportunities. The Company will need further financing to support any exploration/development activities it wishes to pursue. There is no guarantee that such financing can be found or that if found, it would not result in dilution to current shareholders.

On November 20, 2019 the Company announced that it has entered into an agreement to acquire all the issued and outstanding shares of Decklar Petroleum Limited. The acquisition will be paid for by issuing up to 30,000,000 common shares of the Company and is subject to certain customary conditions, including the exercise of at least 10,000,000 of the 13,333,333 outstanding common share purchase warrants of the Company. The warrants are exercisable at $0.10 and would bring $1,000,000 of cash to treasury. In the first quarter of 2020, 2,500,000 of these warrants were exercised resulting in a cash inflow of $250,000.

The business of mining and exploring for minerals and oil involves a high degree of risk and there can be no assurance that current operations, including explorations programs, will result in profitable mining or oil operations. The recoverability of the carrying value of exploration and development properties and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, the ability of the Company to raise additional financing, if necessary, or alternatively upon the Company's ability to dispose of its interest on an advantageous basis. Changes in future conditions could require write-downs of the carrying values.

**Ore reserve estimates**

Estimates of recoverable quantities of reserves include assumptions on commodity prices, exchange rates, discount rates, and production costs for future cash flows. It also involves assessment and judgment of difficult geological models. The economic, geological, and technical factors used to estimate ore reserves may change from period to period. Changes in ore reserves affect the carrying values of mine properties, property, plant, and equipment and the provision for rehabilitation assets. Ore reserves are integral to expenses charged to the Consolidated Statement of Operations and Comprehensive Loss.

**Share-based compensation**

The Company has a share option plan, under which the fair value of all share-based awards is estimated using the Black-Scholes Option-Pricing Model at the grant date and amortized over the vesting periods. An individual is classified as an employee when the individual is an employee for legal or tax purposes or provides services similar to those performed by a direct employee, including directors of the Company. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued if it is determined the fair value of the goods or services cannot be reliably measured and are recorded at the date the goods or services are received. The amount recognized as an expense is adjusted to reflect the number of awards expected to vest.

Upon the exercise of the share purchase options, consideration paid together with the amount previously recognized in the share-based payment reserve is recorded as an increase to capital. Charges for share purchase options that are forfeited before vesting are reversed from the share-based payments reserves. For those share purchase options that expire or are forfeited after vesting, the amount previously recorded in share-based payments reserve is transferred to deficit.

During the 2020 and 2019 first quarters, the Company recognized no share-based compensation expense.

**Off-Balance Sheet Arrangements**

The Company does not have any off-balance sheet arrangements at March 31, 2020.

**Changes in accounting standards**

The accounting policies applied by the Company in these audited condensed consolidated financial statements are the same as those applied by the Company in its consolidated financial statements for the year ended December 31, 2019.

A number of new or amended standards became applicable for the current reporting period. The Company did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

## TRANSACTIONS WITH RELATED PARTIES

**Directors**

The Company recognized no directors' fees in March 31, 2020 or 2019 quarters.

**Key management**

Salary expense incurred and accrued to key management persons during quarter ended March 31, 2020 totalled $18,650 (2019: $17,825).

## RISK FACTORS

Given the nature of its business, the operations of the Company are subject to a number of risks, including the following, any one or all of which could have a material adverse effect on the Company and its business:

**Additional funding requirements**

Proceeds from the September 2019 private placement were in part used to settle outstanding debts and to investigate new business opportunities. It is expected that this financing will be sufficient to cover ongoing administrative costs in excess of 12 months. Should the Company undertake exploration/development activities, AMR may require additional cash injections. There can be no assurance that the Company will be able to find the required funding or that it could do so at terms favourable to the Company. Failure to obtain sufficient financing could force the Company into reorganization, bankruptcy, or insolvency proceedings

Sales of substantial amounts of the Common Shares, or the availability of such Common Shares for sale, could adversely affect the prevailing market prices for the Company's securities. A decline in the market prices of the Company's securities could impair its ability to raise additional capital through the sale of new Common Shares should the Company desire to do so.

AMR may incur substantial costs in pursuing future capital requirements, including investment banking fees, legal fees, accounting fees, securities law compliance fees, printing and distribution expenses and other costs. The ability to obtain needed financing may be impaired by such factors as the capital markets, and/or the loss of key management personnel.

Certain directors and officers may have conflicts of interest

Certain of the directors and officers of AMR are engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies, including activities involving mining and mineral exploration, and, as a result of these and other activities, such directors and officers of AMR may become subject to conflicts of interest. The BCBCA provides that in the event that a director has an interest in a contract or proposed contract or agreement, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement unless otherwise provided under the BCBCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the BCBCA.

**Illiquid market for AMR's securities**

AMR shares are highly illiquid and cannot be easily sold in the market without significant risk of a loss in value. There can be no assurance that an active market for AMR's securities will develop. In addition, the market price of the securities of AMR at any given point in time may not accurately reflect the long-term value of AMR. Furthermore, responding to any events or circumstances resulting from the risk factors described herein could result in substantial costs and divert management's attention and resources.

**Resource industry**

The exploration for and development of mineral deposits and oil involves significant risks, which even a combination of careful evaluation, experience, and knowledge may not eliminate. While the discovery of a mineral deposit / oil wells may result in substantial rewards, few properties that are explored are ultimately developed into successful operations. Major expenses may be required to locate and establish mineral / oil reserves, to develop operational processes, and to construct facilities at a particular site. It is impossible to ensure that the activities currently planned by the Company will result in profitable commercial mining or oil operations. Whether a mineral deposit or oil well will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size, grade, and proximity to infrastructure; metal and oil prices, which are highly cyclical; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals, and environmental protection. The exact effect of these factors cannot accurately be predicted, but in combination they could result in the Company not receiving an adequate return on invested capital.

The Company's activities are subject to all the hazards and risks normally encountered in the exploration for, and development and production of minerals and oil, including unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding, and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage, and possible legal liability. Milling operations are subject to hazards such as equipment failure or failure of retaining dams around tailings disposal areas, which may result in environmental pollution and consequent liability.

**Competition**

The resource business is competitive in all of its phases. The Company competes with numerous other companies and individuals, including competitors with greater financial, technical, and other resources than the Company, in the search for and the acquisition of attractive mineral properties. The Company's ability to acquire properties in the future will depend not only on its ability to develop the Project, but also in its ability to select and acquire other suitable producing properties or prospects for mineral exploration or development. There can be no assurance that the Company will be able to compete successfully with others in acquiring such properties or prospects.

**Insurance and uninsured risks**

The Company's business is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment, and natural phenomena such as inclement weather conditions, floods, and earthquakes. Such occurrences could result in damage to its mineral properties or production facilities, personal injury or death, environmental damage to the Company's properties or the properties of others, delays in development or mining, monetary losses, and possible legal liability.

**Government regulation**

The Company's exploration, development and operating activities are subject to various laws governing prospecting, mining, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local residents, and other matters. Although the Company's planned activities will be carried out in accordance with all applicable rules and regulations, there can be no assurance that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail such planned activities with materially adverse impacts on financial performance and profitability.

The mineral rights and interests of the Company are subject to obtaining government approvals, licences and permits, land clearance being completed, and land use rights being obtained. Such approvals, licences and permits, and the completion of land clearance and obtaining of land use rights are, as a practical matter, subject to the discretion of the government or governmental officials. No assurance can be given that the Company will be successful in obtaining or maintaining any or all of the various approvals, licences, and permits in full force and effect without modification or revocation. To the extent such approvals are required and not obtained, the Company may be curtailed or prohibited from continuing or proceeding with planned activities.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Application of or amendments to current laws and regulations governing operations or more stringent implementation thereof could have a substantial adverse impact on the Company and cause increases in exploration expenses, capital expenditures, or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mineral properties.

**Personnel**

The Company is dependent on obtaining and retaining the services of management and skilled personnel. Failure to obtain such services or the loss of them could have a material adverse effect on the Company's operations. There can be no assurance that the required personnel will be available on suitable terms.

**Enforceability of civil liabilities**

Certain of the Company's directors and officers reside outside Canada. Substantially all of the assets of such persons are, and substantially all of the assets of the Company are, located outside Canada. It may not be possible for investors to effect service of process within Canada upon such persons, and it may also not be possible to enforce against the Company and/or such persons judgments obtained in Canadian courts predicated upon the civil liability provisions of applicable securities laws in Canada.

**Litigation risk**

All industries, including the resource industry, are subject to legal claims, with and without merit. The Company may be involved from time to time in various routine legal proceedings, which include labour matters such as unfair termination claims, supplier matters, and property issues incidental to its business. Defence and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding could have a material effect on financial position and results of operations.

**The market price for Common Shares cannot be assured**

The market price of a publicly traded stock is affected by many variables, some of which are not directly related to the success of AMR. In recent years, the securities markets have experienced a high level of price and volume volatility, and the market price of securities of many companies, particularly those considered to be junior companies, has experienced wide fluctuations which have not necessarily been related to the operating performance, underlying asset values, or prospects of such companies. There can be no assurance that such fluctuations will not affect the price of AMR's securities in the future.

## FINANCIAL INSTRUMENTS

At March 31, 2020, the Company's financial instruments consist of cash and cash equivalents, accounts receivable, trade payables and accrued liabilities, and short-term loans. The fair values of these financial instruments are not materially different from their carrying values.

In respect of credit risk on its bank accounts and investments, credit risk on bank accounts, and short term investments is limited through maintaining the Company's balances with high credit financial institutions.

With regards to liquidity risk, the Company has in place a planning and budgeting process to aid in determining the funds required to support normal operating requirements on an ongoing basis, including capital development and exploration expenditures. Discussions about going concern are included in Note 1, Nature of operations and going concern, in the annual financial statements.

## DISCLOSURE CONTROLS

In connection with Exemption Orders issued in November, 2007, and revised in December, 2008, by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited interim financial statements and the audited annual financial statements and respective accompanying Management's Discussion and Analysis.

In contrast to the certificates under National Instrument ('NI') 52-109 (Certification of disclosure in an Issuer's Annual and Interim Filings), the Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting as defined in NI 52-109.

## ADDITIONAL INFORMATION

Additional information relating to the Company, including the NI 43-101 Technical Report on the Holt Property dated February 11, 2019, are available on SEDAR at www.sedar.com.

## SHARE DATA

As at May 30, 2020, the Company had 25,546,436 common shares outstanding, as well as options outstanding to purchase an aggregate of 225,000 common shares expiring April 6, 2022 and exercisable at various prices between $10.00 and $20.00 per share and 9,866,667 share purchase warrants expiring in September 2021 and exercisable at $0.10. On a fully diluted basis, the Company has 35,638,103 common shares outstanding.