FORM 5

QUARTERLY LISTING STATEMENT

Name of Listed Issuer: Eastern Zinc Corp. (the "Issuer").

Trading Symbol: EZNC.

This Quarterly Listing Statement must be posted on or before the day on which the Issuer's unaudited interim financial statements are to be filed under the *Securities* Act, or, if no interim statements are required to be filed for the quarter, within 60 days of the end of the Issuer's first, second and third fiscal quarters. This statement is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the Exchange Policies. If material information became known and was reported during the preceding quarter to which this statement relates, management is encouraged to also make reference in this statement to the material information, the news release date and the posting date on the Exchange website.

General Instructions

(a) Prepare this Quarterly Listing Statement using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.

(b) The term "Issuer" includes the Listed Issuer and any of its subsidiaries.

(c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

There are three schedules which must be attached to this report as follows:

SCHEDULE A: FINANCIAL STATEMENTS

Financial statements are required as follows:

For the first, second and third financial quarters interim financial statements prepared in accordance with the requirements under Ontario securities law must be attached.

If the Issuer is exempt from filing certain interim financial statements, give the date of the exempting order.

Third Quarter (nine month period) ended June 30, 2019.

Unaudited condensed interim consolidated financial statements of the Issuer for the nine month period ended June 30, 2019, as filed with securities regulatory authorities, are attached to this Form 5 - Quarterly Listing Statement as Appendix "A".

SCHEDULE B: SUPPLEMENTARY INFORMATION

The supplementary information set out below must be provided when not included in Schedule A.

1. Related party transactions

Provide disclosure of all transactions with a Related Person, including those previously disclosed on Form 10. Include in the disclosure the following information about the transactions with Related Persons:

(a) A description of the relationship between the transacting parties. Be as precise as possible in this description of the relationship. Terms such as affiliate, associate or related company without further clarifying details are not sufficient.

(b) A description of the transaction(s), including those for which no amount has been recorded.

(c) The recorded amount of the transactions classified by financial statement category.

(d) The amounts due to or from Related Persons and the terms and conditions relating thereto.

(e) Contractual obligations with Related Persons, separate from other contractual obligations.

(f) Contingencies involving Related Persons, separate from other contingencies.

With respect to related party transactions for information supplementary to that contained in the notes to the unaudited condensed interim consolidated financial statements, which are attached hereto, please refer to Management's Discussion & Analysis for the nine month period ended June 30, 2019, as filed with securities regulatory authorities and attached to this Form 5 - Quarterly Listing Statement as Appendix "B".

2. Summary of securities issued and options granted during the period.

Provide the following information for the period beginning on the date of the last Listing Statement (Form 2A):

As at January 31, 2019, the Issuer's Form 2A – Updated Listing Statement, 61,018,992 common shares in the capital of the Issuer were issued and outstanding.

(a) summary of securities issued during the period,

Date of Issue	Type of Security (common shares, convertible debentures, etc.)	Type of Issue (private placement, public offering, exercise of warrants, etc.)	Number	Price	Total Proceeds	Type of Consideration (cash, property, etc.)	Describe relationship of Person with Issuer (indicate if Related Person)	Commission Paid
Please refer to Section 7 - Share Capital and Section 12 – Subsequent Event for the Securities issued during the Third Quarter Ended June 30, 2019								

(b) summary of options granted during the period,

Date	Number	Name of Optionee if Related Person and relationship	Generic description of other Optionees	Exercise Price	Expiry Date	Market Price on date of Grant
Please refer to Section 7c - Share Capital/Stock Options issued during the Third Quarter Ended June 30, 2019						

3. Summary of securities as at the end of the reporting period.

Provide the following information in tabular format as at the end of the reporting period:

(a) description of authorized share capital including number of shares for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions,

The Issuer's authorized capital is an unlimited number of common shares without par value. There are 67,302,175 common shares outstanding, as at the date of the Third Quarter Ended June 30, 2019.

(b) number and recorded value for shares issued and outstanding,

Date	Number of common shares	Recorded value of common shares
As at June 30, 2019	**67,302,175**	**$5,384,174** (1)

(1) Recorded value of common shares as at the date of the Third Quarter Ended June 30, 2019. (67,302,175 x 0.08 = $5,384,174).

(c) description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and

Stock options

The Issuer has adopted an incentive stock option plan, which provides that the Board of Directors of the Issuer may from time to time, in its discretion, and in accordance with the requirements of the Exchange, grant to directors, officers, employees and technical consultants to the Issuer, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Issuer. Such options will be exercisable for a period of up to five years from the date of grant.

On November 26, 2018, the Company granted incentive stock options to directors, officers, and consultants to purchase an aggregate of 3,694,399 common shares at an exercise price of $0.19 per common share for up to five years. The options vested upon grant. The grant date fair value of the options was measured at $741,000. The options were measured using the Black-Scholes Option Pricing Model with the following assumptions: Stock price - $0.22; exercise price - $0.22; expected life – 5 years; volatility – 150%; dividend yield – $0; and risk-free rate – 2.30%.

The following is a summary of the Company's option activity for the period ended June 30, 2019 the year ended September 30, 2017 and 2018.

	Number of Options	**Weighted average exercise price**
Outstanding, September 30, 2017 and 2018	-	-
Issued	3,694,399	$0.19
Outstanding, June 30, 2019	3,694,399	$0.19

Details of options outstanding as at June 30, 2019 are as follows:

Exercise price	**Number of Options outstanding**	**Expiry date**
$0.19	3,694,399	November 26, 2023
Total	**3,694,399**	

The weighted average price of warrants outstanding was $0.19, and the weighted average life was 4.41 years.

Warrants

The following is a summary of the Company's share purchase warrant activity for the nine-month period ended June 30, 2019 and the year ended September 30, 2018.

	Number of Warrants	Weighted average exercise price
Outstanding, September 30, 2017	-	-
Issued	21,236,358	$0.073
Outstanding, September 30, 2018	21,236,358	$0.073
Exercised	(618,183)	$0.073
Expired	(618,183)	$0.073
Outstanding, June 30, 2019	19,999,992	$0.073

Details of warrants outstanding as at June 30, 2019 are as follows:

Exercise price	Number of Warrants outstanding	Expiry date
$0.073	19,999,992	April 17, 2020
Total	**19,999,992**	

The weighted average price of warrants outstanding was $0.073, and the weighted average life was 0.80 years.

(d) number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer.

This item is not applicable to the Issuer.

4. List the names of the directors and officers, with an indication of the position(s) held, as at the date this report is signed and filed.

Name of Director/Officer	Position with Issuer
Joel Dumaresq	Director, Chairman & CFO
Paul Teniere	President & CEO
Fred Tejada	Director
Stephen Stine	Director

SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS

Provide Interim MD&A if required by applicable securities legislation.

Management's Discussion & Analysis for the nine month period ended June 30, 2019, as filed with securities regulatory authorities, is attached to this Form 5 - Quarterly Listing Statement as Appendix B.

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Quarterly Listing Statement.

2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.

3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).

4. All of the information in this Form 5 Quarterly Listing Statement is true.

Dated September 18, 2019.

Joel Dumaresq
Name of Director or Senior Officer

"Joel Dumaresq"
Signature

Director, Chairman & CFO
Official Capacity

Issuer Details Name of Issuer **Eastern Zinc Corp.**	For Quarter Ended **June 30, 2019**	Date of Report YY/MM/D **September 18, 2019**
Issuer Address **Suite 810 – 789 West Pender Street**		
City/Province/Postal Code **Vancouver, BC V6C 1H2**	Issuer Fax No. **604-687-3141**	Issuer Telephone No. **604-687-2038**
Contact Name **Joel Dumaresq**	Contact Position **Director, Chairman & CFO**	Contact Telephone No. **604-687-2038**
Contact Email Address **joel@pashleth.com**	Web Site Address **www.easternzinc.com**	

Appendix A

Financial Statements for the interim period ended June 30, 2019 and its accompanying Management Discussion and Analysis for the interim period ended June 30, 2019 dated as of August 13, 2019

EASTERN ZINC CORP.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the nine months period ended June 30, 2019 and 2018

(Expressed in Canadian Dollars - Unaudited)

NOTICE OF NO AUDITOR REVIEW

Under National Instrument 51-102, Part 4 subsection 4.3 (3), if an auditor has not performed a review of the condensed consolidated interim financial statements, they must be accompanied by a notice indicating that the unaudited condensed consolidated interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements of Eastern Zinc Corp. have been prepared by and are the responsibility of management.

These condensed consolidated interim financial statements for the nine months ended June 30, 2019 have not been reviewed or audited by the Company’s independent auditors in accordance with standards established by the Chartered Professional Accountants of Canada.

EASTERN ZINC CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars - Unaudited)

	June 30, 2019	September 30, 2018
	$	$
ASSETS		
Current		
Cash	**64,049**	618,886
GST receivable	**46,339**	8,279
Prepaid expenses	**65,174**	40,050
	175,562	667,215
Non-Current		
Exploration and evaluation assets (Note 4)	**6,429,427**	14,490
Total Assets	**6,604,989**	681,705
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (Note 5)	**118,025**	96,829
Due to related parties (Note 8)	**72,000**	16,800
Loan payable (Note 6)	**100,000**	3,000
Total Liabilities	**290,025**	116,629
Shareholders' Equity		
Share capital	**8,339,686**	1,938,478
Reserves	**875,347**	179,102
Deficit	**(2,900,069)**	(1,552,504)
Total shareholders' equity	**6,314,964**	565,076
Total liabilities and shareholders' equity	**6,604,989**	681,705

Nature and continuance of operations (Note 1)

Approved by the board of directors and authorized for issue on August 13, 2019

"Joel Dumaresq"	*" Stephen Stine"*
Director	Director

The accompanying notes are an integral part of these condensed consolidated interim financial statements

EASTERN ZINC CORP.
CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE LOSS
(Expressed in Canadian dollars - Unaudited)

	Three-month periods ended		Nine-month periods ended	
	June 30, 2019	June 30, 2018	**June 30, 2019**	June 30, 2018
	$	$	**$**	$
Expenses				
Consulting (Note 8)	**81,073**	59,462	**259,076**	99,462
Exploration and evaluation (Note 11)	**44,279**	-	**223,694**	-
Filing fees	**33,760**	7,247	**48,263**	12,345
Office	**8,090**	4,742	**12,931**	7,116
Professional fees (Note 8)	**13,513**	10,650	**43,417**	33,003
Rent(note 8)	**5,400**	7,900	**19,200**	27,270
Share based compensation (Note 7)	**-**	-	**741,000**	-
Total Expenses	**(186,115)**	(90,001)	**(1,347,581)**	(179,196)
Other Items				
Gain on debt settlement (Note 8)	-	19,015	-	19,015
Interest income	**16**	-	**16**	-
Net and comprehensive loss for the period	**(186,099)**	(70,986)	**(1,347,565)**	(160,181)
Basic and diluted loss per share for the period	**(0.00)**	(0.00)	**(0.02)**	(0.02)
Weighted average number of common shares outstanding, basic and diluted	**67,186,690**	19,857,729	**58,970,331**	9,015,243

The accompanying notes are an integral part of these condensed consolidated interim financial statements

EASTERN ZINC CORP.
CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian dollars - Unaudited)

	Share capital				
	Number of shares	Value	Share-based payment reserve	Deficit	Total Shareholders' Equity
	#	$	$	$	$
Balance, September 30, 2017	**3,594,000**	**979,438**	**73,636**	**(1,248,014)**	**(194,940)**
Net and comprehensive loss for the period	-	-	-	(160,181)	(160,181)
Shares issued for cash – private placement	19,999,992	1,100,000	-	-	1,100,000
Share issue costs – cash	-	(68,000)	-	-	(68,000)
Share issue costs – agents warrants issued	-	(89,510)	89,510	-	-
Balance, June 30, 2018	**23,593,992**	**1,921,928**	**163,146**	**(1,408,195)**	**676,879**

Balance, September 30, 2018	**23,593,992**	**1,938,478**	**179,102**	**(1,552,504)**	**565,076**
Net and comprehensive loss for the period	-	-	-	(1,347,565)	(1,347,565)
Acquisition of mineral property option	13,350,000	1,335,000	-	-	1,335,000
Acquisition of mineral property - 1185779	9,630,000	1,797,920	-	-	1,797,920
Acquisition of mineral property – Joubin	14,445,000	2,696,882	-	-	2,696,882
Acquisition of mineral property - BMC Maritime	850,000	72,250	-	-	72,250
Acquisition of mineral property – Windsor Basin Carbonate Property	4,815,000	409,275	-	-	409,275
Warrants exercised	618,183	89,881	(44,755)	-	45,126
Share based compensation	-	-	741,000	-	741,000
Balance, June 30, 2019	**67,302,175**	**8,339,686**	**875,347**	**(2,900,069)**	**6,314,964**

On October 19, 2018, the Company split its issued and outstanding common shares on the basis of three shares for each existing share. Unless otherwise noted, all share, option and warrant information have been retroactively adjusted to reflect this stock split.

The accompanying notes are an integral part of these condensed consolidated interim financial statements

EASTERN ZINC CORP.
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
For the nine-months period ended June 30, 2019 and 2018
(Expressed in Canadian dollars - Unaudited)

	June 30, 2019 $	June 30, 2018 $
Operating Activities		
Loss for the period	**(1,347,565)**	(160,181)
Items not affecting cash:		
Gain on debt settlement	**-**	(19,015)
Share based compensation	**741,000**	-
Changes in non-cash working capital items:		
Receivables	**(38,060)**	(10,053)
Prepaid expenses	**(25,124)**	(30,338)
Accounts payable and accrued liabilities	**76,396**	(53,346)
Cash used in operating activities	**(593,353)**	(272,933)
Investing Activities		
Acquisition of mineral properties	**(103,610)**	-
Cash used in investing activities	**(103,610)**	-
Financing Activities		
Proceeds from loans	**100,000**	15,000
Repayment of loans	**(3,000)**	(22,000)
Proceeds warrants exercised	**45,126**	-
Proceeds on issuance of common shares, net of share issue costs	**-**	1,032,000
Cash generated by financing activities	**142,126**	1,025,000
Net change in cash during the period	**(554,837)**	752,067
Cash, beginning of the period	**618,886**	143
Cash, ending of the period	**64,049**	752,210
Supplementary cash flow information		
Shares used to acquire mineral property option	**1,335,000**	-
Shares issued to acquire Joubin	**2,696,882**	-
Shares issued to acquire 1185779 BC Ltd.	**1,797,920**	-
Shares issued to acquire BMC Maritime	**72,250**	-
Shares issued to acquire Windsor Basin Carbonate Property	**409,275**	-

The accompanying notes are an integral part of these condensed consolidated interim financial statements

1. NATURE AND CONTINUANCE OF OPERATIONS

Eastern Zinc Corp. (the "Company") was incorporated under the provisions of the Business Corporations Act (British Columbia) on June 5, 2006. On September 4, 2018 the Company's common shares began trading on the Canadian Securities Exchange (the "CSE") under its the symbol "EZNC". The Company is a junior exploration company focused on the acquisition, exploration, and development of mineral properties.

The Company has its administration office and registered records office at Suite 810 – 789 West Pender Street, Vancouver, BC, V6C 1H2, Canada.

These unaudited condensed consolidated interim financial statements have been prepared on a going concern basis that presumes the realization of assets and discharge of liabilities in the normal course of operations rather than through a process of forced liquidation. As at June 30, 2019, the Company had no source of revenue, had a working capital deficit of $114,463 and an accumulated deficit of $2,900,069. The ability of the Company to continue as a going concern depends upon its ability to identify, evaluate and negotiate an acquisition of a viable project and to continue to raise adequate financing and attain future profitable operations. Management is continually targeting sources of additional financing through alliances with financial, exploration and mining entities, or other business to ensure continuation of the Company's operations and exploration programs. These material uncertainties may cast significant doubt about the Company's ability to continue as a going concern. While this has been successful in the past, there is no assurance that such financing will be available in the future. These financial statements do not include any adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company not be able to continue as a going concern.

2. BASIS OF PRESENTATION

a) Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), and in accordance with IAS 34 – Interim Financial Reporting. The condensed interim financial statements do not include all the information required for annual financial statements and should be read in conjunction with the Company's audited financial statements for the year ended September 30, 2018. These condensed consolidated interim financial statements have been prepared following the same accounting policies as the Company's audited financial statements for the year ended September 30, 2018.

Certain comparative figures have been reclassified to conform to the current year's presentation. Such reclassification is for presentation purpose only and has no effect on previously reported results.

The Board of Directors approved these condensed consolidated interim financial statements on August 13, 2019.

b) Basis of measurement

These condensed consolidated interim financial statements have been prepared on the historical cost basis except for certain financial instruments measured at fair value. All dollar amounts presented are in Canadian dollars unless otherwise specified.

(Expressed in Canadian dollars - Unaudited)

2. BASIS OF PRESENTATION (CONTINUED)

c) Functional and presentation currency

In management's judgement, the functional currency of the Company is the Canadian dollar. The presentation currency used in preparing these financial statements of the Company is also the Canadian dollar.

d) Basis of consolidation

As of the date of these condensed consolidated interim financial statements, the Company's structure is represented by Eastern Zinc as the parent company, and the following wholly owned subsidiaries:

Name	Place of Incorporation	Interest
Joubin Capital Inc.	British Columbia	100%
1185779 BC Ltd.	British Columbia	100%
1186835 BC Ltd.	British Columbia	100%

3. SIGNIFICANT ACCOUNTING POLICIES

In preparing these condensed consolidated interim financial statements, the significant accounting policies and the significant judgments made by management in applying the Company's significant accounting policies and key sources of estimation uncertainty were the same as those that applied to the Company's audited consolidated financial statements for the year ended September 30, 2018, with exception to the new accounting policies adopted by the Company discussed below.

The preparation of condensed interim financial statements requires that the Company's management make judgments and estimates of effects of uncertain future events on the carrying amounts of the Company's assets and liabilities at the end of the reporting period. Actual future outcomes could differ from present estimates and judgments, potentially having material future effects on the Company's condensed interim financial statements. Estimates are reviewed on an ongoing basis and are based on historical experience and other facts and circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

Changes in accounting standards

Several amendments to existing accounting standards became effective January 1, 2018 and were first adopted by the Company in the nine-month period ended June 30, 2019.

IFRS 15 Revenue from Contracts with Customers

The Company adopted IFRS 15 – Revenue from contracts with customers on October 1, 2018 in accordance with the transitional provisions of the standard. IFRS 15 deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognized when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the goods or services. The standard replaces IAS 18 Revenue and IAS 11 Construction contracts and related interpretations.

Since the Company has no revenues from contracts with customers, there was no material impact on the Company's financial statements upon adoption of this standard.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

IFRS 9 Financial Instruments

The Company adopted all of the requirements of IFRS 9 Financial Instruments ("IFRS 9") as of March 1, 2018. IFRS 9 replaces IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 utilizes a revised model for recognition and measurement of financial instruments and a single, forward-looking "expected loss" impairment model. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward in IFRS 9, so the Company's accounting policy with respect to financial liabilities is unchanged. As a result of the adoption of IFRS 9, management has changed its accounting policy for financial assets retrospectively, for assets that continued to be recognized at the date of initial application. The change did not impact the carrying value of any financial assets or financial liabilities on the transition date.

The following is the Company's new accounting policy for financial instruments under IFRS 9:
(i) Classification

The Company classifies its financial instruments in the following categories: FVTPL, at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost.

The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL. The Company completed a detailed assessment of its financial assets and liabilities as at October 1, 2018.

The following table shows the original classification under IAS 39 and the new classification under IFRS 9:

Financial assets/liabilities	Original classification IAS 39	New classification IFRS 9
Financial assets:		
Cash and cash equivalents	Loans and receivables	Amortized cost
Financial liabilities:		
Loans	Loans and receivables	Amortized cost
Accounts payable	Amortized cost	Amortized cost

No changes were made as a result of the adoption of IFRS 9.

(ii) Measurement

Debt investments at FVTOCI
These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognized in other comprehensive income ("OCI"). On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss

Equity investments at FVTOCI
These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

Financial assets and liabilities at amortized cost
Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial assets and liabilities at FVTPL
Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of net loss and comprehensive loss in the period in which they arise. Where management has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income (loss).

(iii) Impairment of financial assets at amortized cost
The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statements of comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

(iv) Derecognition

Financial assets
The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

Financial liabilities
The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value. Gains and losses on derecognition are generally recognized in profit or loss.

New Standards and Interpretations Not Yet Adopted

The Company will be required to adopt the following standards and amendments issued by the IASB, as described below.

Applicable to the Company's annual period beginning on January 1, 2019:

IFRS 16 Leases

IFRS 16 specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17 Leases. The Company has not early adopted this standard and is currently assessing the impact that the standard will have on the condensed consolidated interim financial statements.

(Expressed in Canadian dollars - Unaudited)

4. EXPLORATION AND EVALUATION ASSETS

	BC Zinc Properties	Maritime Properties	Clear Lake	Bulkley-Nechako	Total $
Balance, September 30, 2018	-	-	-	14,490	14,490
Acquisition costs	2,695,492	2,299,445	1,420,000	-	6,414,937
Balance, June 30, 2019	2,695,492	2,299,445	1,420,000	14,490	6,429,427

The following is a description of the Company's exploration and evaluation assets and the related spending commitments:

BC Zinc Assets

On November 15, 2018, the Company completed a share purchase and sale agreement ("Share Purchase Agreement") to acquire 100% of Joubin Capital Inc. ("Joubin"), a Company incorporated under the laws of the province of British Columbia. Joubin owns British Columbia zinc assets and controls 3,380 hectares of mineral claims in British Columbia.

As consideration, the Company issued 13,500,000 common shares with a fair value of $2,520,450. The Company issued 945,000 finder common shares with a fair value of $176,432 and received $1,390 cash.

Maritime Zinc Assets

(i) 1185779 BC Ltd. – NF & NB
On November 21, 2018, the Company completed a share purchase and sale agreement ("Share Purchase Agreement") to acquire 100% of 1185779 BC Ltd. ("1185779"), a Company incorporated under the laws of the province of British Columbia. 1185779 owns the Maritime zinc assets and controls certain mineral claims in Newfoundland and New Brunswick.

As consideration, the Company issued 9,000,000 common shares with a fair value of $1,680,300. The Company issued 630,000 finder common shares with a fair value of $117,620.

(ii) 1186835 BC Ltd. - Windsor Basin Carbonate project NS
On January 8, 2019, the Company signed a purchase and sale agreement "Agreement" to obtain 14 exploration licenses covering 558 mineral claims located in Nova Scotia. The Company will acquire 100 per cent of the common shares of a privately held company that owns the project, 1186835 BC Ltd. The mineral tenure being acquired is subject to a 2% gross royalty payable to a third-party.

As consideration, the Company issued 4.5 million common shares with a fair value of $382,500. The Company issued 315,000 finder's fee shares with a fair value of $26,775.

(iii) BMC project - NB
On February 22, 2019, the Company signed a property option agreement "Agreement" with Slam Exploration Ltd to obtain hundred percent 100% registered and beneficial right, title and interest in 35 mineral claims (the "BMC Properties") covering 22,000 hectares. The BMC property consists of 35 claims comprising 1004 units located in Bathurst mining district of New Brunswick. In order to earn a 100% interest in the BMC Properties, the Company have to make a series of cash payments totalling $790,000 and issuing 5,500,000 common shares over four years as follows:

Cash Payments totalling $700,000 to Slam Exploration Ltd.as follows:
- $ 10,000 upon signing of the Option agreement (Paid);
- $ 10,000 upon filing the Option Agreement with the CSE (Paid);
- $ 80,000 six months after filing the Option Agreement with the CSE;
- $100,000 on or before February 22, 2020;
- $100,000 on or before February 22, 2021;
- $200,000 on or before February 22, 2022 and
- $200,000 on or before February 22, 2023.

4. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

Maritime Zinc Assets (Continued)

(iii) BMC project – NB (Continued)

Further Cash payments totalling $90,000 to Northeast Exploration Services Ltd.as follows:
- $40,000 On or before November 2, 2019 and;
- $50,000 On or before November 2, 2020.

Share issuances totalling 5,000,000 to Slam Exploration Ltd.as follows:
- 500,000 upon filing the Option Agreement with the CSE (Issued with a fair value of $42,500);
- 500,000 six months after filing the Option Agreement with the CSE;
- 1,000,000 on or before February 22, 2020;
- 1,000,000 on or before February 22, 2021;
- 1,000,000 on or before February 22, 2022 and
- 1,000,000 on or before February 22, 2023.

Further share issuances totalling 500,000 to Northeast Exploration Services Ltd.:
- 250,000 On or before November 2, 2019 and;
- 250,000 On or before November 2, 2020.

The Optioner will retain a 2% NSR royalty on future mineral production from the BMC properties. Three of the claims is subject to an underlying 2% NSR that has a buy-back provision down to 0.5% NSR. The Company paid a finder's fee in connection with the BMC project of 350,000 shares with a fair value of $29,750.

Clear Lake Assets

On October 1, 2018, the Company completed an Assignment Agreement ("Agreement") with Generation Mining Limited. ("Generation"). Generation has an option ("Option") to acquire 100% interest to 121 mineral claims ("Clear Lake") in the Whitehorse Mining Division with the Optionor ("Optionor"). Generation assigned this Option to the Company.

As consideration, the Company has the following commitments to Generation:

- $50,000 in cash, payable upon execution of the agreement (Paid);
- 12,600,000 common shares to Generation, issuable upon execution of the agreement (Issued with a fair value of $1,260,000);
- $50,000 in cash, payable on the one-year anniversary from the date of execution; and,
- 5,010,000 common shares, issuable on the one-year anniversary from the date of execution.

The Company has the following commitments to the Optionor:

- $25,000 in cash, payable to the Optionor upon execution of the agreement (Paid); and,
- 750,000 common shares, issuable to the Optionor, upon execution of the agreement (Issued with a fair value of $75,000);

To earn the 100% interest in Clear Lake, the Company has agreed to the following:

Complete exploration expenditures of a minimum of $500,000 on Clear Lake and complete 3,000 metres of drilling:

- $25,000 on or before August 31, 2016 (Paid by Generation); and,
- $500,000 on or before March 31, 2020.

(Expressed in Canadian dollars - Unaudited)

4. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

Clea Lake Asset (Continued)

Make payments to the Optionor of the property, as follows:
- $10,000 at execution of the agreement (Paid by Generation);
- $10,000 on or before March 31, 2017 (Paid by Generation);
- $10,000 on or before March 31, 2018 (Paid by Generation);
- $10,000 on or before March 31, 2019 (Paid);
- $20,000 on or before March 31, 2020;
- $40,000 on or before March 31, 2021;
- $25,000 on completion of 1,500 meters of drilling on or before March 31, 2020; and,
- $25,000 on completion of a further 1,500 meters of drilling on or before March 31, 2021.

The Optionor is entitled to receive an additional payment of $125,000 and 250,000 shares of the Company on completion of an NI 43-101 technical report disclosing resources to at least inferred resources containing one of the following:
- 2.2 billion pounds of zinc; or
- 320 million pounds of lead; or,
- 320 million grams of silver.

The Option is subject to a 2% net smelter return royalty.

Bulkley-Nechako Regional District of British Columbia Property

On May 7, 2018, the Company entered into an agreement with International Cobalt Corp. for the acquisition of a 100% right, title and interest in seven contiguous mineral claims covering approximately 1,763 hectares in the Bulkley-Nechako Regional District of British Columbia (the "Property").

To earn its interest, the Company agreed to pay $10,000 cash (paid) and spend $250,000 in exploration expenditures on the Property within two years with a minimum of $100,000 to be spent in year one.

The Property is subject to a 2.5% NSR held by the vendor. The Company, at its option, can purchase 2.0% NSR for $1.0 million or $250,000 per 0.5%.

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITES

	June 30, 2019 $	September 30, 2018 $
Accounts payable	34,567	20,496
Accrued liabilities	155,458	93,133
	190,025	113,629

6. LOAN PAYABLE

During the nine-month period ended June 30, 2019, the Company repaid the loan payable in full in the amount of $3,000. The loan was unsecured, non-interest bearing and due on demand. During the nine-month period ended June 30, 2019, the Company received a working capital loan of $100,000 ("Loan"). The Loan is non-interest bearing, unsecured and due on demand.

7. SHARE CAPITAL

a) Authorized:

Unlimited number of common shares without par value.

b) Issued and outstanding

On June 30, 2019 the Company had 67,302,175 common shares issued and outstanding (September 30, 2018 - 23,593,992).

On April 17, 2019, the Company issued 618,183 shares pursuant to warrants exercised at $0.073 per share for gross proceeds of $45,127. The fair value $44,755 of the finders' fee warrants was simultaneously transferred to share capital.

On February 7, 2019, the Company issued 4,500,000 common shares and 315,000 common shares to acquire 1186835 BC Ltd, with fair values of $382,500 and $26,775, respectively.

On February 26, 2019, the Company issued 500,000 common shares to Slam Exploration Ltd. and 350,000 common shares to Slam Exploration Ltd., with fair values of $42,500 and $29,750, respectively.

On October 2, 2018, the Company issued 12,600,000 common shares to Generation and 750,000 common shares to the Optionor, with fair values of $1,260,000 and $75,000, respectively.

On October 19, 2018, the Company split its issued and outstanding common shares on the basis of three shares for each existing share. Unless otherwise noted, all share, option and warrant information have been retroactively adjusted to reflect this stock split.

On November 26, 2018, the Company issued 13,500,000 common shares with a fair value of $2,520,450 pursuant to the acquisition of Joubin. The Company issued 945,000 finder common shares with a fair value of $176,432.

On November 26, 2018, the Company issued 9,000,000 common shares to 1185779 with a fair value of $1,680,300. The Company issued 630,000 finder common shares with a fair value of $117,620.

On April 17, 2018 the Company closed a non-brokered private placement consisting of 6,666,664 units at $0.165 per unit for gross proceeds of $1,100,000. Each unit consists of one common share and one transferable share purchase warrant. Each warrant entitles the holder thereof to purchase one additional common share of the Company for a period of two years from closing at a price of $0.22 per common share. The securities issued pursuant to the Offering were subject to a four month hold period that expired on August 18th, 2018. In connection with the private placement, The Company paid $157,510 in finders' fees, which consisted of $68,000 in cash and 412,113 finder's warrants with the same terms as the private placement warrants. The fair value of the finder's warrants under the Black-Scholes model was $89,510, recorded as a share issuance cost.

(Expressed in Canadian dollars - Unaudited)

7. SHARE CAPITAL (CONTINUED)

c) Warrants

The following is a summary of the Company's share purchase warrant activity for the nine-month period ended June 30, 2019 and the year ended September 30, 2018.

	Number of Warrants	Weighted average exercise price
Outstanding, September 30, 2017	-	-
Issued	21,236,358	$0.073
Outstanding, September 30, 2018	21,236,358	$0.073
Exercised	(618,183)	$0.073
Expired	(618,183)	$0.073
Outstanding, June 30, 2019	19,999,992	$0.073

Details of warrants outstanding as at June 30, 2019 are as follows:

Exercise price	Number of Warrants outstanding	Expiry date
$0.073	19,999,992	April 17, 2020
Total	**19,999,992**	

The weighted average price of warrants outstanding was $0.073, and the weighted average life was 0.80 years.

d) Stock options

The Company has adopted an incentive stock option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the requirements of the Exchange, grant to directors, officers, employees and technical consultants to the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company. Such options will be exercisable for a period of up to five years from the date of grant.

On November 26, 2018, the Company granted incentive stock options to directors, officers, and consultants to purchase an aggregate of 3,694,399 common shares at an exercise price of $0.19 per common share for up to five years. The options vested upon grant. The grant date fair value of the options was measured at $741,000. The options were measured using the Black-Scholes Option Pricing Model with the following assumptions: Stock price - $0.22; exercise price - $0.22; expected life – 5 years; volatility – 150%; dividend yield – $0; and risk-free rate – 2.30%.

The following is a summary of the Company's option activity for the period ended June 30, 2019 and the year ended September 30, 2017 and 2018.

	Number of Options	Weighted average exercise price
Outstanding, September 30, 2017 and 2018	-	-
Issued	3,694,399	$0.19
Outstanding, June 30, 2019	3,694,399	$0.19

(Expressed in Canadian dollars - Unaudited)

7. SHARE CAPITAL (CONTINUED)

Details of options outstanding as at June 30, 2019 are as follows:

Exercise price	Number of Options outstanding	Expiry date
	-	-
$0.19	3,694,399	November 26, 2023
Total	**3,694,399**	

The weighted average price of options outstanding was $0.19, and the weighted average life was 4.41 years.

8. RELATED PARTY TRANSACTIONS AND PAYMENTS TO KEY MANAGEMENT PERSONNEL

During the nine months ended June 30, 2019 and 2018, the Company entered into the following transactions with related parties and incurred payments to key management personnel, which were in the normal course of operations.

	June 30, 2019 $	June 30, 2018 $
Legal fees paid to a law firm where a former director of the Company is a partner.	**-**	18,203
Management and consulting fees paid to a company jointly controlled by the CFO	**9,000**	9,000
Office rent paid to a company controlled by the CFO	**16,200**	17,770
Consulting fees paid or accrued to a company controlled by the CEO	**54,000**	-
	79,200	44,973

Included in accounts payable and accrued expenses is $72,000 (September 30, 2018 - $16,800) due to related parties. The amounts due to the related parties are unsecured, non-interest bearing and due on demand.

During the nine month period ended June 30, 2018, the Company completed a debt settlement agreement with a creditor related to a former director of the Company with respect to outstanding debt of $34,015. Under the terms of the settlement, the Company paid $15,000 resulting in a gain on debt settlement of $19,015.

9. MANAGEMENT OF CAPITAL

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain sufficient funds to finance future business opportunities. The Company does not have any externally imposed capital requirements to which it is subject. There were no changes to the Company's approach to capital management.

As at June 30, 2019, the Company had capital resources consisting mainly of cash. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue common shares or dispose of assets.

10. FINANCIAL INSTRUMENTS

As at June 30, 2019, the Company's financial instruments consist of cash, accounts payable and loans payable. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant credit, liquidity or market risks arising from these financial instruments. The risk exposure is summarized as follows:

a) Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company is subject to credit risk on the cash balance at the bank. The majority of the Company cash is held in Canadian based banking institutions, authorized under the Bank Act to accept deposits, which may be eligible for deposit insurance provided by the Canadian Deposit Insurance Corporation. As such, management has determined credit risk to be low.

b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to settle obligations and liabilities when due. As at June 30, 2019, the Company had a cash balance of $64,049 (September 30, 2018 - $618,886) to settle current liabilities of $290,025 (September 30, 2018 - $116,629) which mainly consists of account payables that are considered short term and normally settled within 30 days.

There can be no assurance the Company will be able to obtain required financing in the future on acceptable terms. The Company has limited financial resources and has no assurance that additional funding will be available to it for future development of its projects, although the Company has been successful in the past in financing its activities through the previously mentioned financing activities. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions and operational success of its activities. In recent years, the securities markets have experienced wide fluctuations in price that have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. Any quoted market for the common shares may be subject to market trends generally, notwithstanding any potential success of the Company in creating revenue, cash flows or earnings. Management has determined liquidity risk to be high.

c) Market risk

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's cash attracts interest at floating rates and have maturities of 90 days or less. The interest is typical of Canadian banking rates, which are at present low; however, the conservative investment strategy mitigates the risk of deterioration to the investment. A change of 100 basis points in the interest rates would not be material to the financial statements. The Company does not have any liabilities with variable interest rates. As such, management has determined interest rate risk to be low.

(ii) Foreign currency risk

The Company's financial assets and liabilities are not exposed to foreign currency risk.

(iii) Price risk

The Company is not subject to significant price risk.

(Expressed in Canadian dollars - Unaudited)

10. FINANCIAL INSTRUMENTS (CONTINUED)

d) Fair value

The carrying values of accounts payable and loans payable approximate their respective fair values due to the short-term nature of these instruments.

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values. Financial assets and liabilities recognised at fair value must be classified in one of the following three fair value hierarchy levels:

- Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

Cash is measured using level 1 inputs.

11. EXPLORATION AND EVALUATION EXPENDITURES

The following table reflects the exploration and evaluation expenditures incurred in the nine months ended June 30, 2019. Cumulative expenses are shown for each project.

Nine months ended June 30, 2019	BC Zinc Properties	Maritime Properties	Clear Lake	Bulkley-Nechako	Total $
Assay	-	38,863	3,177	-	42,040
Geological	110	141,946	11,741	-	153,797
Filings and licenses	9,005	17,720	500	632	27,857
Total June 30, 2019	9,115	198,529	15,418	632	223,694
Cumulative Expenditures	9,115	198,529	15,418	632	223,694

Appendix B

Management Discussion and Analysis for the interim period ended June 30, 2019 dated as of August 13, 2019.

EASTERN ZINC CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the nine-month period ended June 30, 2019

Date of this report and forward-looking statements

This Management Discussion and Analysis ("MD&A") of Eastern Zinc Corp. (the "Company") has been prepared by management as of August 13, 2019 and should be read in conjunction with the Company's condensed consolidated interim financial statements for the period ended June 30, 2019 the ("Financial Statements") which have been prepared and reported in accordance with *International Financial Reporting Standards* ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the interpretations of the International Financial Reporting Interpretation Committee ("IFRIC").

The Board of Directors of the Company have approved this document.

These documents, and additional information relating to the Company, are available for viewing under the Company's profile at www.sedar.com.

Certain statements in this document constitute "forward-looking statements" and are based on current expectations and involve risks and uncertainties, referred to above and or in the Company's financial statements for the period ended June 30, 2019, that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in the forward-looking statements. Examples of such forward looking statements include statements regarding financial results and expectations for 2019, future anticipated results of exploration programs and development programs, including, but not limited to, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, and the possibility that future exploration, development or mining results will not be consistent with the Company's expectations, metal prices, demand for metals, currency exchange rates, political and operational risks inherent in mining or development activities, legislative factors relating to prices, taxes, royalties, land use, title and permits, importing and exporting of minerals, environmental protection, expenditures on property, plant and equipment, increases and decreases in reserves and/or resources and anticipated grades and recovery rates and are or may be based on assumptions and/or estimates related to future economic, market and other conditions. This list is not exhaustive and should be considered carefully by prospective investors, who should not place undue reliance on such forward-looking statements. Factors that could cause actual results, developments or events to differ materially from those anticipated include, among others, the factors described or referred to elsewhere herein including, without limitation, under the heading "Risks and Uncertainties" and/or the financial statements, and include unanticipated and/or unusual events as well as actual results of planned exploration and development programs and associated risk. Many of such factors are beyond the Company's ability to control or predict. Actual results may differ materially from those anticipated. Readers of this MD&A are cautioned not to put undue reliance on forward looking statements due to their inherent uncertainty. Forward-looking statements are made based upon management's beliefs, estimates and opinions on the date the statements are made, which management believes are reasonable, and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as otherwise required by applicable law. These forward-looking statements should not be relied upon as representing management's views as of any date subsequent to the date of this MD&A. Additional information, including interim and annual consolidated financial statements, the management information circulars and other disclosure documents, may also be examined and/or obtained through the Internet by accessing the Canadian System for Electronic Document Analysis and Retrieval ("SEDAR") website at www.sedar.com.

The Company undertakes no obligation to publicly update or review the forward-looking statements whether as a result of new information, future events or otherwise.

Historical results of operations and trends that may be inferred from the following discussions and analysis may not necessarily indicate future results from operations.

OVERVIEW AND DESCRIPTION OF BUSINESS

Eastern Zinc Corp. (the "Company") was incorporated under the provisions of the Business Corporations Act (British Columbia) on June 5, 2006. On September 4, 2018 the Company's common shares began trading on the Canadian Securities Exchange (the "CSE") under its the symbol "EZNC". The Company is a junior exploration company focused on the acquisition, exploration, and development of mineral properties.

The Company is pursuing an exploration and development strategy whereby it will acquire and explore zinc properties near, or adjacent to existing mineral deposits or mining operations controlled by well-established mining companies.

The Company has its administration office and registered records office at Suite 810 – 789 West Pender Street, Vancouver, BC, V6C 1H2, Canada.

As at June 30, 2019, the Company had no source of revenue, had working capital deficit of $114,463 and an accumulated deficit of $2,900,069. The ability of the Company to continue as a going concern depends upon its ability to identify, evaluate and negotiate an acquisition of a viable project and to continue to raise adequate financing and attain future profitable operations. Management is continually targeting sources of additional financing through alliances with financial, exploration and mining entities, or other business to ensure continuation of the Company's operations and exploration programs. These material uncertainties may cast significant doubt about the Company's ability to continue as a going concern. While this has been successful in the past, there is no assurance that such financing will be available in the future.

COMPANY HIGHLIGHTS

a) On October 1, 2018, the Company entered into an Assignment, Assumption and Amending Agreement with Generation Mining Limited ("Generation") and John Bernard Kreft (the "Optionor") in respect of the Clear Lake Property in Yukon, whereby Generation assigned to the Company the exclusive right and option to acquire a 100% interest in and to 121 mineral claims located under the Yukon Quartz Mineral Act, located in the Whitehorse Mining Division.

   Pursuant to the Assignment, Assumption and Amending Agreement, the Company has agreed to the following terms to earn a 100% interest in the Clear Lake Property.

Due Date	Common Share Payments	Cash Payments	Name
Upon signing the Agreement	12,600,000 (issued)	$50,000 (paid)	Generation
Upon Signing the Agreement	750,000 (issued)	$50,000 (paid)	Optionor
On or before the 1st Anniversary of signing the Agreement	5,010,000	$50,000	Generation
Cash payments in stages to March 31, 2021	-	$110,000	Optioner
Total	**18,360,000**	**$256,000**	

   The Company also has to spend a minimum of $500,000 cash on exploration and complete 3,000 meters of drilling.

b) On November 21, 2018, the Company announced the acquisition of a portfolio of zinc exploration assets located in British Columbia under a Share Purchase and Sale Agreement with the shareholders of Joubin Capital Inc. ("Joubin") and in Newfoundland and New Brunswick under a Share Purchase and Sale Agreement with the shareholders of 1185779 B.C. Ltd. ("1185779").

   Pursuant to the Share Purchase and Sale Agreement with the shareholders of 1185779, the Company acquired 100% of the issued and outstanding shares of 1185779, a privately-held company which owns the Newfoundland and New Brunswick zinc assets, from an arms-length vendor through the issuance of 9 million common shares to the shareholders of 1185779 (issued).

   Pursuant to the Share Purchase and Sale Agreement with the shareholders of Joubin, the Company acquired 100% of the issued and outstanding shares of Joubin, a privately-held company, which owns the British Columbia zinc assets, from an arms-length vendor through the issuance of 13.5 million common shares to the shareholders of Joubin (issued).

   Each of the Newfoundland, New Brunswick and British Columbia zinc assets are subject to a 2% NSR royalty. 1,575,000 finder's fee shares were issued on this transaction.

COMPANY HIGHLIGHTS (CONTINUED)

c) On November 26, 2018 the Company issued 3,694,399 incentive stock options to various directors, officers and consultants of the Company at a price of $0.19 per common share for a period of five years.

On January 8, 2019 the Company signed a purchase and sale agreement “Agreement” to obtain 14 exploration licenses covering 558 mineral claims located in Nova Scotia. The Company will acquire 100 per cent of the common shares of a privately held company that owns the project, 1186835 BC Ltd. The mineral tenure being acquired is subject to a 2% gross royalty payable to a third-party. The Windsor Basin Carbonate Property is situated adjacent to the past-producing ScoZinc mine operated by ScoZinc Mining Ltd. (TSXV:SZM)(“ScoZinc”). As consideration, the Company issued 4.5 million common shares with a fair value of $382,500. The Company issued 315,000 finder’s fee shares with a fair value of $26,775.

The Windsor Basin Carbonate Property contains multiple zinc exploration targets and the Company intends to conduct exploration on the project during 2019 to further validate and test zinc mineralization targets within the property.

d) On February 22, 2019 the Company signed a property option agreement “Agreement” with SLAM Exploration Ltd to earn a 100% interest in 35 mineral claims (the “BMC Properties”) covering 22,000 hectares with a number of known mineral occurrences located in the Bathurst Mining Camp of New Brunswick, Canada. The BMC properties include the Upper Road Zone, a potentially new VMS discovery drilled in 2018 by SLAM Exploration Ltd on the Portage Property. A historical drill hole completed at the Upper Road Zone over an existing geophysical anomaly resulted in significant zinc, lead, copper, and silver results from sphalerite, pyrite and galena, and suggested a potentially mineralized interval at depth. This accessible and drill-ready target is located 25 kilometres west of the Caribou mine operated by Trevali Mining Corp.

The Company has the option to earn a 100% interest in the BMC Properties by completing a series of cash payments totaling $790,000 (paid - $20,000) and issuing 5,500,000 common shares (issued 500,000 with a fair value of $42,500) over a 4-year period. The Optionor will retain a 2% NSR royalty on future mineral production from the BMC Properties. Three of the claims are subject to an underlying 2% NSR royalty that has a buy-back provision down to 0.5% NSR. Finder’s fees of 350,000 common shares with a fair value of $29,750 were paid on this transaction. For more detail see the condensed consolidated interim financial statements for the nine months ended June 30, 2019.

e) On April 8, 2019, the Company appointed Mr. Paul Ténière, P.Geo. as President and CEO of the Company. Mr. Teniere has 20 years of diverse experience in the mining and oil & gas sectors taking projects from exploration to mine development.

EXPLORATION AND DEVELOPMENT STRATEGY

British Columbia Zinc Properties

In November 2018, Eastern Zinc acquired a diverse portfolio of seven zinc exploration projects located in British Columbia as follows:

- Ron Zinc Project - The Ron Zinc Project is approximately 6,175 acres in size and located adjacent to Selkirk Metals Corp's ("Selkirk") Robb zinc project. Selkirk is a subsidiary of Imperial Metals Corporation. The area has been the focus of recent staking activity in October 2018 by Imperial Metals through their operating subsidiary. The host stratigraphy of the Ron Zinc occurrence, which is located within the Ron Zinc Project, is geologically similar to the Robb Lake deposit, located about 7km to the south, where lead-zinc mineralization in dolomite breccias is distributed along the western flank of a large, southeast plunging anticline made up of Muncho-McConnell and Stone formations dolomites. The Ron zinc showing appears to be on the eastern flank of the anticline and is situated very close to the depositional edge of the carbonate platform. Eastern Zinc is focused on generating MVT Pb-Zn targets within this project area.

- Cardiac Creek West Zinc Project – The Cardiac Creek West Zinc Project is approximately 2,036 acres in size and located adjacent to the Akie Project owned by ZincX Resources Corp. (“ZincX”), and is proximate to the Cardiac Creek deposit. Eastern Zinc is focused on generating Zn-Pb-Ag SEDEX targets within this project area.

- Bonanza Zinc Project – The Bonanza Zinc Project is approximately 422 acres in size and situated in a region in which Silurian platformal sediments and mafic volcanic rocks are in faulted contact to the west with Hadrynian to Lower Paleozoic McNaughton Formation metasedimentary rocks.

EXPLORATION AND DEVELOPMENT STRATEGY (CONTINUED)

British Columbia Zinc Properties (Continued)

- Erin Zinc Project - The Erin Zinc Project is approximately 867 acres in size and underlain by a northwest trending, folded and faulted sequence of Cambrian to Mississippian sediments and carbonates. Cominco Ltd. (now Teck) originally staked the Erin claim in 1980.

- Bear Central Zinc Project – The Bear Central Zinc Project is approximately 1,483 acres in size and surrounded by the Bear/Spa Property being explored by ZincX as part of its Akie Project. Eastern Zinc is focused on generating Zn-Pb-Ag SEDEX targets within this project area.

- Red Zinc Project - The Red Zinc Project is approximately 2,655 acres in size and hosts the Red Zinc showing, an occurrence which is on the western edge of the Muskwa Anticlinorium, a major regional structure characterized by thrust faulting and moderate folding. Eastern Zinc is targeting carbonate-hosted, replacement-type massive sulphide deposits within this project.

(The Ron Zinc Project, Cardiac Creek West Zinc Project, Bonanza Zinc Project, Ern Zinc Project, Bear Central Zinc Project and the Red Zinc Project are collectively referred to as the "**BC Zinc Assets**").

Atlantic Canada Properties

Eastern Zinc acquired a diverse and promising portfolio of zinc exploration projects located in Atlantic Canada as follows:

- New Brunswick - The Bathurst Mining Project ("BMP" or "New Brunswick Zinc") consists of 1,211 mineral claim units covering approximately 30,000 hectares of prospective volcano-sedimentary stratigraphy and is situated in a historic mining district well known for its VMS deposits. The BMC Properties include VMS mineral occurrences discovered and drilled by former producers, including the Wedge copper mine, Tribag, Essex, and A'Hearn zones located along strike from the Wedge. The Satellite and Mowatt zones are adjacent to the former Heath Steele mines property. The BMC Properties include the LBM mineral trend where 13 drilling discoveries were made by previous operators in volcano-sedimentary rocks extending 5 km west and northwest from Trevali's Half Mile deposit. These known occurrences and associated geophysical responses represent drill-ready targets in a potential VMS environment.

- Newfoundland - Eastern Zinc acquired the Buchans South Zinc Project and the Black Duck Zinc Project in Newfoundland (collectively referred to as "Newfoundland Zinc").

  The Buchans South Zinc Project is located in the historic Buchans Mining District, which includes the past-producing Buchans VMS mine. The project consists of 65 mineral claims covering 4,030 acres and is located adjacent to claims held by Adventus Zinc Corp. Eastern Zinc is focused on generating VMS-related zinc targets within this project area.

  The Black Duck Zinc Project is situated in the Daniel's Harbour Zinc District and is located east of the historic Daniel's Harbour Zinc Mine where Newfoundland Zinc Mining, owned by Teck Resources Ltd. ("Teck"), mined a Mississippi Valley Type (MVT) zinc deposit from 1975 to 1990. Eastern Zinc is focused on generating MVT-related zinc targets within this project area.

- Nova Scotia's Windsor Basin - Eastern Zinc acquired a large portfolio of mineral claims in Nova Scotia focused on a carbonate reef district with a history of zinc occurrences. The project consists of 14 exploration licences covering 558 mineral claims (the "Windsor Basin Carbonate Property"). The Company intends to conduct exploration on the project during 2019 to further validate and test zinc mineralization targets within the property. In conjunction with the acquisition of the Windsor Basin Carbonate Property, Eastern Zinc acquired 100% of the issued and outstanding shares of 1186835 B.C. Ltd, a privately-held company that owns the project, by way of the issuance of 45 million common shares. The mineral tenure being acquired is subject to a 2% gross royalty payable to a third-party. 315,000 Finders shares were paid on this transaction.

(New Brunswick Zinc, Newfoundland Zinc and Nova Scotia collectively referred to as the "**Maritime Zinc Assets**")

EXPLORATION AND DEVELOPMENT STRATEGY (CONTINUED)

Clear Lake Property, Yukon

During the period ended June 30, 2019, the Company entered into an Assignment, Assumption and Amending Agreement with John Bernard Kreft (the "Optionor") in respect of the Clear Lake Property, whereby Generation has assigned to Eastern Zinc the exclusive right and option to acquire a 100% interest in 121 mineral claims located under the Yukon Quartz Mineral Act, located in the Whitehorse Mining Division (the "Property").

The Property consists of 121 contiguous claims covering approximately 2,479 hectares and is located 65 km east of Pelly Crossing, 90 km northeast of Carmacks and 225 km north of Whitehorse. A winter road links the Property to the all-weather North Klondike Highway at Pelly Crossing, approximately 65 km to the west.

Since the 1970's, the Clear Lake Property has undergone extensive exploration work by several operators, which included diamond drilling. Clear Lake is a SEDEX massive sulphide deposit occurring in Devonian- to Mississippian-aged Earn Group shale. In 2008-2009 a previous operator carried out airborne VTEM and magnetic surveys followed by ground induced polarization and gravity surveys in three target areas.

Bulkley – Nechako Property - Grouse Mountain Property

The Company has an option to acquire an undivided 100% right, title and interest in and to the Grouse Mountain Property in British Columbia by making a one-time cash payment of $10,000 and incur an exploration commitment of $250,000 over two years with a minimum of $100,000 to be expended in year one.

International Cobalt retains a 2.5% NSR on the Property and the Company has the right to buy back 2.0% of the NSR for $1,000,000 and retains a right of first refusal on the remaining 0.5% NSR.

The Property consists of 7 contiguous mineral claims that cover an area of 1,763 hectares of land located within the Omineca Mining Division of British Columbia, and is located in the Bulkley-Nechako Regional District of British Columbia approximately 19 kilometers to the NNW of the town of Houston, and 45 kilometers to the SSE of Smithers, British Columbia. Since its original staking in 1984, several million dollars have been spent on the Property by exploration and mining companies including Cominco, Newmont and most recently Canarc Resource Corp. This exploration work includes several soil geochemical surveys and VLF-EM geophysical surveys, and diamond drilling between 1984-1990.

Upon successful exercise of the option by the Company, International Cobalt shall deliver to the Company recordable Bills of Sale or other applicable conveyancing documentation sufficient to effect transfer of a 100% interest in and to the Property to the Company. Until such transfer, Bard Ventures for International Cobalt will hold the Property subject to the terms of the Option Agreement.

QUALIFIED PERSON STATEMENT

All scientific and technical information contained in this MD&A was prepared and approved by Paul Ténière, P.Geo., President & CEO of Eastern Zinc Corp, who is a Qualified Person as defined in NI 43-101.

Exploration and Evaluation Expenditures

The following table reflects the exploration and evaluation expenditures incurred in the nine months ended June 30, 2019. Cumulative expenses are shown for each project.

Nine months ended June 30, 2019	BC Zinc Properties	Maritime Properties	Clear Lake	Bulkley-Nechako	Total $
Assay	-	38,863	3,177	-	42,040
Geological	110	141,946	11,741	-	153,797
Filings and licenses	9,005	17,720	500	632	27,857
Total June 30, 2019	9,115	198,529	15,418	632	223,694
Cumulative Expenditures	9,115	198,529	15,418	632	223,694

During the comparative period ended June 30, 2018, the Company did not have any exploration activities.

Results of Operations

Nine-month periods ended	June 30, 2019 $	June 30, 2018 $
Expenses		
Consulting	259,076	99,462
Exploration and evaluation	223,694	-
Filing fees	48,263	12,345
Office	12,931	7,116
Professional fees	43,417	33,003
Rent	19,200	27,270
Share based compensation	741,000	-
Total expenses for the period	(1,347,581)	(179,196)

The Company recorded total expenses for the nine-month period ended June 30, 2019 was $1,347,581 compared to $179,196 for the corresponding period in 2018. Some of the significant charges to operations are as follows:

- Consulting fees of $259,076 (2018 - $99,462) relates to amounts paid to management and various external consultants to help the Company achieve its goals on all facets of the business. The increase by $159,614 relates to payments to consultants that helped the Company with strategic planning, targeting potential properties and relationship building with industry partners.
- Exploration and evaluation expenses of $223,694 (2018 - $Nil) relates to the exploration on the Company's exploration and evaluation projects highlighted below.
- Filing fees of $48,263 (2018 - $12,345) relates to the Company's listing on the Canadian Securities Exchange and increased activity in the market.
- Professional fees increase to $43,417 (2018 - $33,003) as the Company increase activity and focus on the development of its properties.
- Share-based compensation of $741,000 (2017 - $Nil) $741,000 relating to the issuance of 3,694,399 stock options at an exercise price of $0.22 per option for 5 years.

During the three-month period ended June 30, 2019, the Company recorded expenses of $186,115 (2018 - $70,986). The explanations and variances incurred during the three-month period ended are similar to the discussions above.

Cash Flow Analysis

Operating Activities
During the period ended June 30, 2019 and 2018, cash used in operating activities was $593,353 and $272,933 respectively. The increase is primarily due to greater spending on operational activities as discussed above. The Company invested $223,694 into exploration and evaluation expenditures whereas in the comparative period, there were no exploration and evaluation activity.

Investing Activities
During the period ended June 30, 2019 and 2018, cash used in investing activities was $108,950 and $nil, respectively. The Company paid $85,000 pursuant to the acquisition of the Clear Lake property and $20,000 towards the BMC properties. $1,390 cash was acquired pursuant to an acquisition.

Financing Activities
During the period ended June 30, 2019 and 2018, cash generated by financing activities was $142,126 and $1,025,000, respectively. During the period ended June 30, 2019, the Company repaid the loan payable of $3,000 and obtained a working capital loan of $100,000. The loan is unsecured, non-interest bearing and due on demand. Warrants were exercised for gross proceeds of $45,126. In the same period during the prior year shares were issued for a net value of $1,032,000 with a net movement on loans of a repayment of $7,000.

Summary of Quarterly Results

	Quarters ended			
	30-Jun 2019 $	31-Mar 2019 $	31-Dec 2018 $	30-Sep 2018 $
Interest revenue	-	-	-	-
Net loss	(186,115)	(169,764)	(991,686)	(163,324)
Loss per share, basic and diluted	0.01	0.03	0.03	0.03
Total comprehensive loss	(186,115)	(169,764)	(991,686)	(163,324)
Per share, basic and diluted	0.01	0.03	0.03	0.03
Total assets	6,610,329	6,615,532	6,241,935	681,705
Total liabilities	290,025	159,579	97,742	116,629
Shareholders' equity	6,320,304	6,455,953	6,144,193	565,076
Cash dividends per share	Nil	Nil	Nil	Nil

	Quarters ended			
	30-Jun 2018 $	31-Mar 2018 $	31-Dec 2017 $	30-Sep 2017 $
Interest revenue	-	-	-	-
Net loss	(70,986)	(42,941)	(46,254)	(31,981)
Per share, basic and diluted	0.01	0.03	0.04	0.03
Total comprehensive loss	(70,986)	(42,941)	(46,254)	(33,981)
Per share, basic and diluted	0.01	0.03	0.04	0.03
Total assets	794,997	4,174	931	2,539
Total liabilities	118,118	288,309	242,125	197,479
Shareholders' equity	676,879	(284,135)	(241,194)	(194,940)
Cash dividends per share	Nil	Nil	Nil	Nil

Fluctuations in assets are mostly due to cash being used in operational activities. During the quarter ending December 31, 2018, the Company's net assets increased as the Company acquired several mineral properties. Net loss stayed relatively consistent, quarter over quarter. During the three-month period ended, the Company issued options and recorded $741,000 in stock based compensation. Over the other six quarters operational expenses have remained fairly consistent due to attempts to preserve cash spending on general and administrative and the fact that the company is still seeking operational opportunities. Liabilities over the quarters have increased as a result of the decrease in cash to fund operations.

Financings, Liquidity and Working Capital

The financial statements have been prepared on a going-concern basis, which assumes the realization of assets and liquidation of liabilities in the normal course of business. Continuing operations, as intended, are dependent on management's ability to raise required funding through future equity issuances, its ability to acquire resource property or business interests and develop profitable operations or a combination thereof, which is not assured, given today's volatile and uncertain financial markets. The Company may revise exploration and development programs depending on its working capital position.

As at June 30, 2019, the Company had no source of revenue, had a working capital deficit of $114,463 and an accumulated deficit of $2,900,069. Current liabilities are $290,025.

Other than the above mentioned current liabilities, the Company has no short-term capital spending requirements and future plans and expectations are based on the assumption that the Company will realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. There can be no assurance that the Company will be able to obtain adequate financing in the future or if available that such financing will be on acceptable terms. If adequate financing is not available when required, the Company may be required to delay, scale back or eliminate various programs and may be unable to continue in operation. The Company may seek such additional financing through debt or equity offerings. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests.

Financings, Liquidity and Working Capital (Continued)

The Company's future revenues, if any, are expected to be from the mining and sale of mineral products or interests related there to. The economics of developing and producing mineral products are affected by many factors including the cost of operations, variations in the grade of ore mined, and the price of metals. Depending on the price of metals, the Company may determine that it is impractical to continue commercial production. The price of metals has fluctuated widely in recent years and is affected by many factors beyond the Company's control including changes in international investment patterns and monetary systems, economic growth rates, political developments, the extent of sales or accumulation of reserves by governments, and shifts in private supplies of and demands for metals. The supply of metals consists of a combination of mine production, recycled material, and existing stocks held by governments, producers, financial institutions and consumers. If the market price for metals falls below the Company's full production costs and remains at such levels for any sustained period of time, the Company will experience losses and may decide to discontinue operations or development of other projects or mining at one or more of its properties at that time.

Off-Balance Sheet Arrangements

The Company does not utilize off-balance sheet arrangements.

Transactions with Related Parties

The Directors and Executive Officers of the Company are as follows:

Paul Teniere	President and Chief Executive Officer
Joel Dumaresq	Director and Chief Financial Officer
Fred Tejada	Director
Stephen Stine	Director

During the nine months ended June 30, 2019 and 2018, the Company entered into the following transactions with related parties and incurred payments to key management personnel, which were in the normal course of operations.

	June 30, 2019 $	June 30, 2018 $
Legal fees paid to a law firm where a former director of the Company is a partner.	**-**	18,203
Management and consulting fees paid to a company jointly controlled by the CFO	**9,000**	9,000
Office rent paid to a company owned by a director of the Company paid to a company jointly controlled by the CFO	**16,200**	17,770
Consulting fees paid or accrued to a company owned by the CEO of the Company	**54,000**	-
	79,200	44,973

Included in accounts payable and accrued expenses is $72,000 (September 30, 2018 - $16,800) due to related parties. The amounts due to the related parties are unsecured, non-interest bearing and due on demand.

Proposed Transactions

There are no specific proposed transactions as at the date of this MD&A.

Financial Instruments and Other Instruments

As at June 30, 2019, the Company's financial instruments consists of cash, accounts payable and loans payable. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant credit, liquidity or market risks arising from these financial instruments. The risk exposure is summarized as follows:

The risk exposure is summarized as follows:

a) <u>Credit risk</u>

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company is subject to credit risk on the cash balance at the bank. The majority of the Company cash is held in Canadian based banking institutions, authorized under the Bank Act to accept deposits, which may be eligible for deposit insurance provided by the Canadian Deposit Insurance Corporation. As such, management has determined credit risk to be low.

Financial Instruments and Other Instruments (Continued)

b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to settle obligations and liabilities when due. As at June 30, 2019, the Company had a cash balance of $64,049 (September 30, 2018 - $618,886) to settle current liabilities of $290,025 (September 30, 2018 - $116,629) which mainly consists of account payables that are considered short term and normally settled within 30 days.

c) Market risk

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's cash attracts interest at floating rates and have maturities of 90 days or less. The interest is typical of Canadian banking rates, which are at present low; however, the conservative investment strategy mitigates the risk of deterioration to the investment. A change of 100 basis points in the interest rates would not be material to the financial statements. The Company does not have any liabilities with variable interest rates. As such, management has determined interest rate risk to be low.

(ii) Foreign currency risk

The Company's financial assets and liabilities are not exposed to foreign currency risk.

(ii) Price risk

The Company is not subject to significant price risk.

d) Fair value

The carrying values of accounts payable and loans payable approximate their respective fair values due to the short-term nature of these instruments.

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values. Financial assets and liabilities recognized at fair value must be classified in one of the following three fair value hierarchy levels:

- Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

Cash is measured using level 1 inputs.

Outstanding Share Data

As at the date of this MD&A, the Company had the following outstanding share data:

Securities	Number	Exercise Price	Expiry Date
Common shares	67,302,175	N/A	N/A
Warrants issued	19,999,992	$0.073	April 17, 2020
Options issued	3,694,399	$0.19	November 26, 2023

Copies of all previously published financial statements, MD&As, meeting materials, press releases, etc. are available under the Company's profile on the SEDAR website at www.sedar.com.

The Company, as a "venture issuer", is not required to prepare an Annual Information Form ("AIF") at this stage.

RISKS AND UNCERTAINTIES

Early Stage – Need for Additional Funds

The Company has no history of profitable operations and its present business is at an early stage. As such, the Company is subject to many risks common to such enterprises, including undercapitalization, cash shortages and limitations with respect to personnel, financial and other resources and the lack of revenues. There is no assurance that the Company will be successful in achieving a return on shareholders' investments and the likelihood of success must be considered in light of its early stage of operations. The Company has no source of operating cash flow and no assurance that additional funding will be available to it for further exploration and development of its projects when required. Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favorable, especially in today's volatile and uncertain financial markets. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and development of its properties.

Exploration and Development

Exploration for minerals is a speculative venture involving substantial risk. There is no certainty that the expenditures made by the Company and/or its subsidiaries will result in discoveries of commercial metal reserves.

Mining and development risks always accompany anticipated rewards, and uncertainties always exist where mineral properties are concerned. Uncertainties include the size, grade and recovery of naturally occurring mineral deposits. Although exploration and development efforts can outline a mineral deposit with a degree of certainty, ultimate grade and tonnages are never fully known until mining has been completed. Metal prices are also a significant factor in the development decision for a mineral property, as a mine may not be economically feasible in a period of depressed prices. Factors beyond the control of the Company may affect the marketability of any minerals discovered. Pricing is affected by numerous factors such as international economic and political trends, global or regional consumption and demand patterns, and increased production by current producers.

Operating Hazards and Risks

Mining operations involve many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of metals, any of which could result in damage to or destruction of mines and other producing facilities, damage to life and property, environmental damage and possible legal liability for any or all damage.

Foreign Country and Political Risk

The Company might from time to time pursue mineral properties in unstable political or economic countries. The Company would be subject to certain risks, including currency fluctuations and possible political or economic instability in certain jurisdictions, which may result in the impairment or loss of mineral concessions or other mineral rights. Mineral exploration and mining activities may be affected in varying degrees by political instability and government regulations relating to the mining industry. Any changes in regulations or shifts in political attitudes may also adversely affect the Company's business. Exploration may be affected in varying degrees by government regulations with respect to restrictions on future exploitation and production, price controls, export controls, foreign exchange controls, income taxes, expropriation of property, environmental legislation and mine and/or site safety. The Company does not presently own/pursue foreign exploration projects.

Title Risks

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties are in good standing.

RISKS AND UNCERTAINTIES (CONTINUED)

Environmental Regulations, Permits and Licenses

The Company's operations are subject to various laws and regulations governing the protection of the environment, exploration, development, production, taxes, labour standards, occupational health and safety, waste disposal, and other matters. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in impositions of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a direction of stricter standards, and enforcement, and higher fines and penalties for non-responsibility for companies including its directors, officers and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability for the Company and its directors, officers and employees. The Company intends to fully comply with all environmental regulations.

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 may be required to compensate those suffering loss or damage by reason of mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or productions costs or reduction in levels of productions at producing properties, or requirements abandonment, or delays in development of new mining properties.

Competition and Agreements with Other Parties

The mining industry is intensely competitive in all its phases. The Company competes with other companies that have greater financial resources and technical capacity. Competition could adversely affect the Company's ability to acquire suitable properties or prospects in the future.

The Company may, in the future, be unable to meet its share of costs incurred under agreements to which it is a party, and it may have its interest in the properties subject to such agreements reduced as a result. Also, if other parties to such agreements do not meet their share of such costs, the Company may not be able to finance the expenditures required to complete recommended programs.

Price Volatility of Public Stock

In recent years, securities markets have experienced extremes in price and volume volatility. The market price of securities of many early stage companies, among others, have experienced fluctuations in price which may not necessarily be related to the operating performance, underlying asset values or prospects of such companies. It may be anticipated that any market for the Company's shares will be subject to market trends generally and the value of the Company's shares on a stock exchange may be affected by such volatility.

Economic Conditions

Unfavorable economic conditions may negatively impact the Company's financial viability as a result of increased financing costs and limited access to capital markets.

Dependence on Management

The Company is very dependent upon the personal efforts and commitment of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Company could result, and other persons would be required to manage and operate the Company.

RISKS AND UNCERTAINTIES (CONTINUED)

Conflicts of Interest

The Company's directors and officers may serve as directors and officers or may be associated with other reporting companies or have significant shareholdings in other public companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions, or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding terms respecting the transaction. If a conflict of interest arises, the Company will follow the provisions of the Business Corporations Act, British Columbia ("Corporations Act") in dealing with conflicts of interest. These provisions state, where a director/officer has such a conflict, that the director/officer must at a meeting of the board, disclose his interest and refrain from voting on the matter unless otherwise permitted by the Corporations Act. In accordance with the laws of the Province of British Columbia, the directors and officers of the Company are required to act honestly, in good faith and in the best interests of the Company.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning the Company's general and administrative expenses and exploration and evaluation costs is provided in the Company's statement of loss and note disclosures contained in its financial statements for the interim period ended June 30, 2019. These statements are available on SEDAR - Site accessed through www.sedar.com.

Dividends

The Company has no earnings or dividend record and is unlikely to pay any dividends in the foreseeable future as it intends to employ available funds for mineral exploration and development. Any future determination to pay dividends will be at the discretion of the board of directors and will depend on the Company's financial condition, results of operations, capital requirements and such other factors as the board of directors deem relevant.