

EASTERN ZINC CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended September 30, 2019

EASTERN ZINC CORP.

MANAGEMENT DISCUSSION AND ANALYSIS

For the year ended September 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 January 28, 2020 and should be read in conjunction with the Company's audited consolidated financial statements for the year ended September 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 year ended September 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.

EASTERN ZINC CORP.

MANAGEMENT DISCUSSION AND ANALYSIS

For the year ended September 30, 2019

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 resources 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 September 30, 2019, the Company had no source of revenue, had working capital deficit of \$317,363 (2018 – surplus of \$550,586) and an accumulated deficit of \$6,820,520 (2018 - \$1,552,504). 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, 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)	\$25,000 (paid)	Optionor
On or before the 1st Anniversary of signing the Agreement	5,010,000 (deferred)	\$50,000 (deferred)	Generation
Cash payments in stages to March 31, 2021	-	\$110,000	Optionor
Total	18,360,000	\$235,000	

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

- b) On November 21, 2018, the Company announced the acquisition of a diversified portfolio of zinc exploration assets securely 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).

On September 30, 2019, the Company is no longer pursuing the Newfoundland claims and the Company recorded an impairment of \$719,168.

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).

On September 30, 2019 the Company is no longer pursuing these assets and recorded an impairment of \$2,695,492.

EASTERN ZINC CORP.

MANAGEMENT DISCUSSION AND ANALYSIS

For the year ended September 30, 2019

COMPANY HIGHLIGHTS (CONTINUED)

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.

- 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.
- d) On January 8, 2019 the Company signed a purchase and sale agreement to obtain 14 exploration licenses covering 558 mineral claims located in Nova Scotia. The Company acquired 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.

On September 30, 2019, the Company is no longer pursuing the Windsor Basin Carbonate project and recorded an impairment of \$409,275.

- e) On February 22, 2019 the Company signed a property option agreement with SLAM Exploration Ltd. to earn a 100% interest in 19 mineral claims (the "BMC Properties") covering 15,000 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 \$700,000 (paid - \$20,000) and issuing 5,000,000 common shares (issued 1,000,000 with a fair value of \$92,500) 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 consolidated financial statements for the year ended September 30, 2019.

- f) On April 8, 2019, the Company appointed Mr. Paul Teniere 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

During the year ended September 30, 2019, 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 1,428.78 hectares 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 CORP.

MANAGEMENT DISCUSSION AND ANALYSIS

For the year ended September 30, 2019

EXPLORATION AND DEVELOPMENT STRATEGY (CONTINUED)

British Columbia Zinc Properties (Continued)

Cardiac Creek West Zinc Project – The Cardiac Creek West Zinc Project is approximately 471.11 hectares in size and located adjacent to the Akie Project owned by ZincX Resources Corp. (“ZincX”), and is proximate to the Cardiac Creek deposit.

Bonanza Zinc Project – The Bonanza Zinc Project is approximately 171.29 hectares 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.

Erin Zinc Project - The Erin Zinc Project is approximately 351.61 hectares 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 343.19 hectares in size and surrounded by the Bear/Spa Property being explored by ZincX as part of its Akie Project.

Red Zinc Project - The Red Zinc Project is approximately 614.42 hectares 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.

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

On September 30, 2019, due to financial constraint, the Company does not have immediate exploration plan for these assets and therefore recorded an impairment of \$2,695,492.

Maritime Zinc Properties

During the year ended September 30, 2019, Eastern Zinc acquired a diverse and promising portfolio of zinc exploration projects located in the Maritimes 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. 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.

On September 30, 2019, the Company is no longer pursuing the Newfoundland Zinc claims and the Company recorded an impairment of \$719,168.

EASTERN ZINC CORP.

MANAGEMENT DISCUSSION AND ANALYSIS

For the year ended September 30, 2019

EXPLORATION AND DEVELOPMENT STRATEGY (CONTINUED)

Maritime Zinc Properties (Continued)

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**"). 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.

On September 30, 2019, the Company is no longer pursuing the Windsor Basin Carbonate project and recorded an impairment of \$409,275.

(New Brunswick Zinc, Newfoundland Zinc, and Windsor Basin Carbonate Property collectively the "**Maritime Zinc Assets**")

Clear Lake Property, Yukon

During the year ended September 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 and to 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; it 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, British Columbia

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 reviewed and approved by Paul Ténrière, P.Geo., President & CEO of Eastern Zinc Corp, who is a Qualified Person as defined in NI 43-101.

EASTERN ZINC CORP.**MANAGEMENT DISCUSSION AND ANALYSIS**

For the year ended September 30, 2019

SELECTED ANNUAL INFORMATION FOR THE PAST THREE YEARS

The following table summarizes selected financial data for the Company for each of the three most recently completed financial years. The information set forth below should be read in conjunction with the Financial Statements. Financial Statements for all years presented are prepared in accordance with IFRS.

Fiscal years ended	September 30, 2019 \$	September 30, 2018 \$	September 30, 2017 \$
Total revenue	-	-	-
Total current assets	178,483	667,215	2,539
Total assets	2,839,315	681,705	2,539
Total non-current liabilities	-	-	-
Total liabilities	495,846	116,629	197,479
Net loss for the year	5,268,016	304,490	120,427
Basic and diluted loss per share	(0.09)	(0.02)	(0.03)

Total assets in 2019 increased as a result of the shares issued in acquisition of mineral interests' vs 2018 increased as a result of the private placements completed in the year. Net loss has increased from the previous years due to increased activity surrounding the Company's acquisition of its exploration assets and CSE listing. The 2019 year includes \$639,955 non-cash stock-based compensation value.

Results of Operations

	Years ended	
	September 30, 2019 \$	September 30, 2018 \$
Expenses		
Consulting	350,351	152,762
Exploration and evaluation	300,938	26,305
Filing fees	54,833	24,748
Interest paid	2,608	-
Office	15,436	11,761
Professional fees	55,592	41,253
Rent	24,600	34,170
Share based compensation	639,955	32,506
Total expenses for the period	(1,444,313)	(323,505)

The Company recorded total expenses of \$1,444,313 for the year ended September 30, 2019 compared to \$323,505 for the corresponding period in 2018. Some of the significant charges to operations are as follows:

- Consulting fees of \$350,351 (2018 - \$152,762) 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 \$197,589 relates to payments made to consultants that helped the Company with strategic planning, targeting potential properties and relationship building with industry partners.
- Exploration and evaluation expenses of \$300,938 (2018 - \$26,305) relates to the exploration on the Company's exploration and evaluation projects highlighted below.
- Filing fees of \$54,833 (2018 - \$24,748) relates to the Company's listing on the Canadian Securities Exchange and increased activity in the market.
- Professional fees increase to \$55,592 (2018 - \$41,253) as the Company increase activity and focus on the development of its properties.

EASTERN ZINC CORP.**MANAGEMENT DISCUSSION AND ANALYSIS**

For the year ended September 30, 2019

Results of Operations (continued)

- Share-based compensation of \$639,955 (2018 - \$32,506) \$741,000 relating to the issuance of 3,694,399 stock options at an exercise price of \$0.19 per option for 5 years.

Exploration and Evaluation Expenditures

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

Year ended September 30, 2019	BC Zinc Properties	Maritime Properties	Clear Lake	Bulkley-Nechako	Total \$
Assay	-	33,523	3,177	-	36,700
Drilling	-	54,666	-	-	54,666
Geological	220	167,972	11,741	-	179,933
Filings and licenses	18,009	21,360	500	632	40,501
Administrative and project management	-	5,138	-	-	5,138
Recovery	-	(16,000)	-	-	(16,000)
Total September 30, 2019	18,229	266,659	15,418	632	300,938
Cumulative expenditures	18,229	266,659	15,418	26,937	327,243

During the comparative period ended September 30, 2018, the Company spent \$26,305 exploration expenditures on Bulkley-Nechako property.

Cash Flow Analysis*Operating Activities*

During the year ended September 30, 2019 and 2018, cash used in operating activities was \$621,049 and \$391,767 respectively. The increase is primarily due to greater spending on operational activities as discussed above.

Investing Activities

During the year ended September 30, 2019 and 2018, cash used in investing activities was \$108,950 and \$14,490, respectively. The Company paid \$85,000 pursuant to the acquisition of the Clear Lake property and \$20,000 towards the BMC properties.

An amount of \$5,340 was spent on staking additional claims on the BMC properties. \$1,390 cash was acquired pursuant to an acquisition.

Financing Activities

During the year ended September 30, 2019 and 2018, cash generated by financing activities was \$242,127 and \$1,025,000, respectively. During the year ended September 30, 2019, the Company repaid the loan payable of \$3,000 and obtained loans of \$200,000. Warrants was exercised for gross proceeds of \$45,127. 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.

EASTERN ZINC CORP.**MANAGEMENT DISCUSSION AND ANALYSIS**

For the year ended September 30, 2019

Summary of Quarterly Results

	Quarters ended			
	30-Sep 2019 \$	30-Jun 2019 \$	31-Mar 2019 \$	31-Dec 2018 \$
Interest revenue	-	-	-	-
Net loss	(3,140,807)	(965,759)	(169,764)	(991,686)
Loss per share, basic and diluted	0.06	0.01	0.03	0.03
Total comprehensive loss	(3,140,807)	(965,759)	(169,764)	(991,686)
Per share, basic and diluted	0.06	0.01	0.03	0.03
Total assets	2,839,315	6,610,329	6,615,532	6,241,935
Total liabilities	495,846	290,025	159,579	97,742
Shareholders' equity	2,343,469	6,320,304	6,455,953	6,144,193
Cash dividends per share	Nil	Nil	Nil	Nil

	Quarters ended			
	30-Sep 2018 \$	30-Jun 2018 \$	31-Mar 2018 \$	31-Dec 2017 \$
Interest revenue	-	-	-	-
Net loss	(163,324)	(70,986)	(42,941)	(46,254)
Per share, basic and diluted	0.03	0.01	0.03	0.04
Total comprehensive loss	(163,324)	(70,986)	(42,941)	(46,254)
Per share, basic and diluted	0.03	0.01	0.03	0.04
Total assets	681,705	794,997	4,174	931
Total liabilities	116,629	118,118	288,309	242,125
Shareholders' equity	565,076	676,879	(284,135)	(241,194)
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 September 30, 2019, the Company wrote exploration and evaluation assets of as Impaired for a total amount of \$3,823,935. This impairment write-off increased the net loss and comprehensive loss compared with other quarters and also decreased the total assets and the shareholders' equity, compared with other quarters. During the quarter ending December 31, 2018 and thereafter, the Company's net assets increased as the Company acquired several mineral properties. Over the other five 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 September 30, 2019, the Company had no source of revenue, had a working capital deficit of \$317,363 and an accumulated deficit of \$6,820,520. Current liabilities are \$495,846.

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

EASTERN ZINC CORP.**MANAGEMENT DISCUSSION AND ANALYSIS**

For the year ended September 30, 2019

Financings, Liquidity and Working Capital (continued)

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.

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.

Directors and Officers

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

Transactions with Related Parties

During the year ended September 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.

	September 30, 2019 \$	September 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	18,000	12,000
Office expense paid to a company controlled by the CFO	6,000	-
Office rent paid to a company owned by a director of the Company paid to a company jointly controlled by the CFO	21,600	30,170
Consulting fees paid to a company owned by the CEO	90,000	-
	135,600	60,373

The Company recognized share-based payment during the year ended September 30, 2019 of \$69,290.(2018-\$nil) for related parties.

As at September 30, 2019, there was a balance of \$103,580(2018-\$18,900) due to related parties. The amounts due to the related parties are unsecured, non-interest bearing and due on demand.

EASTERN ZINC CORP.

MANAGEMENT DISCUSSION AND ANALYSIS

For the year ended September 30, 2019

Fourth quarter results

During the fourth quarter of 2019, the Company recorded total expenses of \$3,140,807 for the three-month period ended September 30, 2019 compared to \$144,309 for the corresponding period in 2018. The Company also wrote impairment charges of \$3,920,449 off on the exploration and evaluation assets. Some of the significant charges to operations are as follows:

- Consulting fees of \$91,275 (2018 - \$53,300) 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 \$37,975 relates to payments made to consultants that helped the Company with strategic planning, targeting potential properties and relationship building with industry partners.
- Exploration and evaluation expenses of \$77,244 (2018 - \$26,305) relates to the exploration on the Company's exploration and evaluation projects highlighted below.
- Filing fees of \$6,570 (2018 - \$12,403) relates to the Company's listing on the Canadian Securities Exchange and decreased filing activity in the market.
- Professional fees increase to \$12,175 (2018 - \$8,250) as the Company increase activity and focus on the development of its properties.
- Share-based compensation of \$(101,045) (2018 - \$32,506) relates to an audit adjustment made due to over estimation of this expense item in prior quarters.

Proposed Transactions

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

Financial Instruments and Other Instruments

As at September 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) 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 September 30, 2019, the Company had a cash balance of \$131,014 (2018 - \$618,886) to settle current liabilities of \$495,846 (2018 - \$116,629) which mainly consists of account payables that are considered short term and normally settled within 30 days.

EASTERN ZINC CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
For the year ended September 30, 2019

Financial Instruments and Other Instruments (Continued)

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.

Other Requirements

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	67,802,175	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.

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 production costs or reduction in levels of production 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.

EASTERN ZINC CORP.

MANAGEMENT DISCUSSION AND ANALYSIS

For the year ended September 30, 2019

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 consolidated financial statements for the year ended September 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.