



ADAMERA MINERALS

ADAMERA MINERALS CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2019

OVERVIEW AND INTRODUCTORY COMMENT

Adamera Minerals Corp. (“Adamera” or the “Company”) is an exploration stage company engaged in the acquisition and exploration of precious metals. The principal properties are located in Washington State, USA. The Company also holds properties in northern Canada in Nunavut (“NU”) and the Northwest Territories (“NWT”). The Company acquires properties directly by staking, through option agreements with prospectors or other exploration companies, and through reconnaissance programs. The Company trades on the TSX Venture Exchange (“Exchange”) under the symbol “ADZ” and is a reporting issuer in British Columbia and Alberta. The Company also trades on the OTC Marketplace in the United States under the symbol “DDNFF”.

This MD&A is dated November 26, 2019 and discloses specified information up to that date. Unless otherwise noted, all currency amounts are expressed in Canadian dollars. The following information should be read in conjunction with the unaudited condensed consolidated interim financial statements and the related notes for the nine months ended September 30, 2019 and the Company’s audited consolidated financial statements for the year ended December 31, 2018 and the related notes thereto.

Additional information relevant to the Company and the Company’s activities can be found on SEDAR at www.sedar.com, and/or on the Company’s website at www.adamera.com.

MAJOR INTERIM PERIOD OPERATING MILESTONES

Cooke Mountain Project

On January 15, 2019, the Company reported laboratory results for drill hole OS18-02B at the Oversight Project. The hole is a redrill of drill hole OS18-02. OS18-02B results are shown in the table below.

	From (m)	To (m)	Gold (g/t)	Interval (m)
OS18-02B	27	28.8	1.2	1.8
OS18-02B	32.6	33.4	1.3	0.8
OS18-02B	35.3	50	0.2	14.7
OS18-02B	62.7	67.3	1.0	4.6
OS18-02B	82.7	102.1	0.25	19.4
OS18-02B	117.6	120.6	2.0	3.0
Incl.	117.6	118.0	4.2	0.44

Table 1. Zones with anomalous gold in drill hole OS18-02B

Magnetite intersected in drill hole OS18-02B contains 4.5 times more gold on average than the magnetite zone in OS17-03 and OS17-01 to the south. At the Overlook Mine, a general increase in gold content of the magnetite typically occurs immediately adjacent to and often contributes to the high-grade zones.



Arsenopyrite, which frequently correlates with high-grade gold on the property, locally forms up to 15% of the rock in OS18-02B. The presence of arsenopyrite is not noted in drill holes to the south.

Results for drill hole LFS18-01 on the Lamefoot South prospect were also received. No significant gold bearing zones were intersected. A hole to drill the target from the opposite side was tentatively planned.

On February 14, 2019, the Company announced drill hole OS18-04 intersected significant gold values on the Oversight property. The hole confirms the presence of an emerging zone extending northward from previously intersected high-grade mineralization. Drill hole OS18-04 intersected a 10.57 metre zone with 2.5 g/t gold including 2 intervals with 10.2 g/t and 11.2 g/t gold (see Table 2 below). The intersection is approximately 20 metres north of the 19.4 g/t gold intersection encountered at the bottom of drill hole OS18-02.

These new results suggest increasing gold values and thickness northward. The gold mineralization in hole OS18-04 is in clastic sedimentary rocks. A significant amount of gold was mined from clastic sedimentary rocks at the Overlook Mine which is located approximately 250 metres to the west. This new gold trend falls within north-northeast trending induced polarization (IP) anomalies.

Table 2.

Hole	From (m)	To (m)	Interval (m)	Au (g/t)
OS18-04	73.44	84.01	10.57	2.53
Incl.	80.2	84.01	3.81	5.34
Incl.	80.5	81.2	0.7	11.2
Incl.	82.32	83.24	0.92	10.2

True widths of the drill intercepts are not yet known.

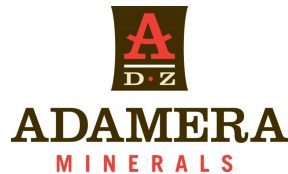
The presence of high-grade gold in drill hole OS18-02 and the subsequent absence of significant gold in Hole OS18-02B is difficult to explain without additional drilling in the area. Three-dimensional computer modeling of the drill data continues to define an interpreted grade shell that is open to the north. It also indicates that the rocks appear to be dipping to the north.

In summary, OS18-04 which returned the most consistent gold mineralization related to this target is the most northerly drill hole in the area. Also, OS18-04 was drilled to the northeast. Other nearby drill holes which were drilled with azimuths directed more to the north or south have also returned better gold results in the past than E-W azimuths. Therefore, to further test this target, future drilling would be conducted with southern azimuths from drill sites located to the north since the rocks were dipping to the north.

In addition to the gold zone described above, other zones with anomalous to elevated gold were encountered in the drill hole. Two 5-metre-long zones with 0.4 g/t gold were intersected at 12.74 m and 25.11m. At 93.9m, a 2-metre zone with 1.5 g/t was intersected and at 117.8 metres a 1 metre zone with 1.6 g/t gold was intersected.

On February 26, 2019, the Company provided a video showing an interpreted mineralized zone on the Oversight project in Washington State. The interpretation is based on three-dimensional modelling of Adamera's latest drill results and historic drilling associated with the Overlook Mine which is located 250 metres to the west.

Adamera's recent drilling has identified a new mineralized horizon at Oversight that occurs along trend with the Overlook Mine and within similar rocks. The mineralization is associated with silica veining in



clastic sediments that are capped by late intrusive sills and underlain by a magnetite and sulfide unit. The Oversight mineralization which is approximately 200 metres higher in elevation than the Overlook Mine, dips similarly to the north. This shallow Oversight mineralization orientation dipping north allows for low-cost drill assessment by drilling from north to south.

On March 27, 2019, the Company completed an intensive exploration program on the Lamefoot South property. As a result, numerous high-grade gold targets have been defined for drilling. Adamera shifted from target generation to target drilling and devised a substantial drill program that would test the targets on this property.

The Lamefoot South targets exhibit geophysical, geochemical and geological characteristics consistent with mineralization associated with the past producing Lamefoot Gold Mine which is located 300 metres to the north. The Lamefoot Gold Mine was the largest and highest grade mine in the Cooke Mountain District. The ore from this mine occurred as magnetite sulfide rich mineralization at the Limestone-clastic contact and as silica-sulfide veins in the clastic rocks near limestone. The silica-sulfide veined ore was reportedly the dominant form of mineralization in the mine.

Magnetic anomalies coincident with gold in soil represent magnetite-sulfide target mineralization and the induced polarization (IP) anomalies with gold represent veined target mineralization in the clastic rocks. The exploration data defines significant sized targets, one of which covers an area greater than 400 x 200 metres.

On April 10, 2019, the Company outlined its key exploration targets on the Goodfoot property located along with the Lamefoot Trend. The Company was preparing for an extensive drill program on this and other properties. The primary exploration target on the property is high-grade gold mineralization similar to that described in the Lamefoot Mine. Lamefoot gold mineralization occurs in massive magnetite and sulfides at a limestone/clastic contact, and in silica-sulfide stockworks within the adjacent clastic rocks. The mine is located on the Anfo Fault which is thought to be a regional control of gold mineralization.

The targets developed on the Goodfoot property are the result of several modern surveys including geophysical, geological and geochemical techniques. Magnetic and electromagnetic anomalies with strong gold in soil support the presence of gold in massive magnetite/sulfide targets. IP anomalies with strong gold in soil anomalies potentially represent gold in vein stockwork targets. Significant gold values in soil associated with the targets range from 0.1g/t -1g/t gold.

Interpretation of recent detailed geological mapping by Adamera incorporates structural, geophysical and geochemical data to provide better geological control and exploration targeting. This has resulted in the identification of more than 5 kilometres of prospective limestone – clastic contact along strike of the Anfo Fault. Numerous shallow targets defined by coincident magnetic, EM, IP and or soil geochemical anomalies have been identified along this stratigraphic and structural horizon.

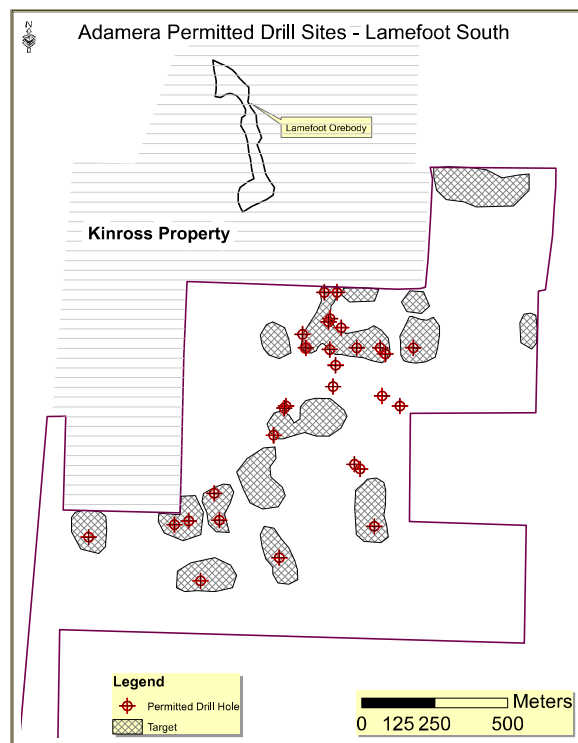
On April 30, 2019, the Company completed a review of its 2018 gold discovery at the past producing Key West Mine property and provided a video showing the discovery holes along with data used to predict additional discovery success.

On May 22, 2019, the Company announced that Bureau Land Management granted approval of 12 drill holes and has extended the work approval for a further two years on the Oversight property. The 12 holes are designed to test the northern extension of gold mineralization identified in drill holes OS18-02 and OS18-04. The planned holes are angled towards the south and are expected to penetrate to depths between 110 to 150 metres.

On May 28, 2019, the Company announced that the Washington State Department of Natural Resources (DNR) has granted approval of an additional 16 drill holes on the Lamefoot South property in Northeast Washington State.

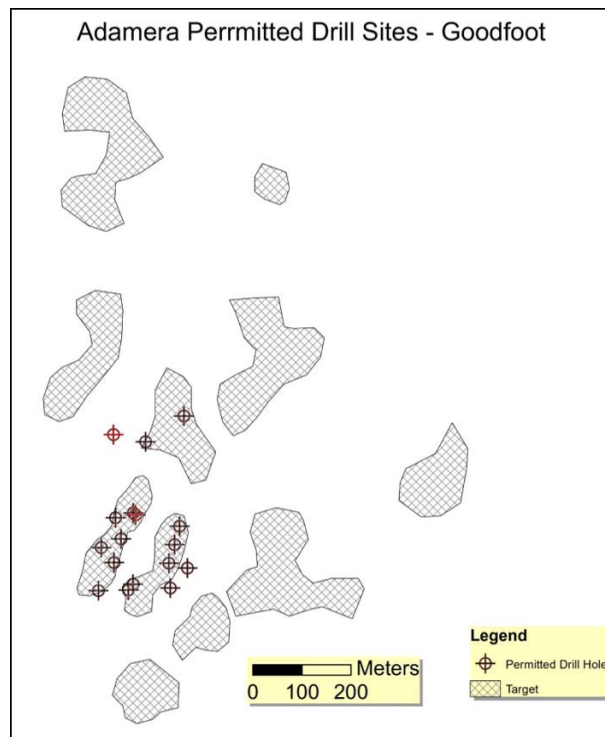
The Lamefoot South property is less than 300 metres south of the Lamefoot Gold Mine and along strike of the same structural feature that is believed to control the high-grade gold mineralization. The ore from this mine was magnetite and sulfide-rich mineralization at the limestone-clastic contact. Gold also occurred as silica-sulfide veins in clastic rocks near the limestones. Overall, the silica-sulfide vein ore type was reportedly the dominant form of mineralization in the mine.

Several targets have been delineated on Adamera’s Lamefoot South property. The priority targets are defined by strong magnetic anomalies coincident with induced polarization (IP) anomalies on the same or analogous limestone contacts as the Lamefoot Mine. Coincident gold and arsenic soil anomalism further supports these targets as possible mineralized zones.



On June 4, 2019, the Company announced that the DNR granted approval for 16 drill sites on the Goodfoot property on the Lamefoot Trend in Northeast Washington State. These sites are in addition to the 16 dill sites approved at the Lamefoot South property announced on May 28, 2019.

Several targets have been delineated on the Goodfoot property. The top targets are defined by moderate magnetic anomalies associated with coincident induced polarization (IP) and VLF-EM anomalies located along the same or similar limestone geological contact as the Lamefoot Mine to the north. Coincident gold and arsenic soil anomalies further support these targets as possible mineralized zones.

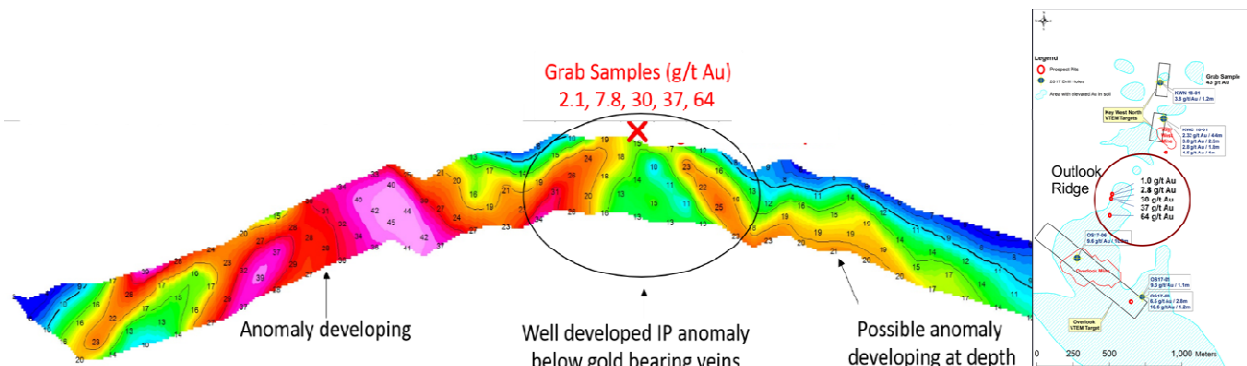


The targets are defined by geophysical and soil geochemical data and are subject to change as new information is obtained.

On July 17, 2019, the Company announced that drill permits have been granted by the US Forest Service for the Outlook Ridge target on the Cooke Mountain Project. The Outlook Ridge drill permits are in addition to permits recently granted on the Oversight, Lamefoot South, and Goodfoot properties which provide more than 50 drill sites for testing. As Adamera advances its exploration efforts on these targets in preparation for drilling, it is also considering potential partnership opportunities on various projects. Adamera is in discussions with multiple companies that are reviewing data and conducting site visits under confidentiality agreement.

The Outlook Ridge prospect is located halfway between the Overlook and Key West mines, which are one kilometre apart. The area is intruded by overlying intrusive rocks hindering possible discovery by historical prospecting. The gold mineralization style targeted at Outlook Ridge is associated with vein-type “stockwork” in clastic rocks. Stockwork related gold mineralization is a significant exploration target in this region as it accounts for approximately 50% of the gold mined at the adjacent Overlook Mine and approximately 90% of the gold mined at the nearby Lamefoot Mine. This mineralization is not magnetic and appears to have been discovered accidentally while testing nearby magnetic anomalies.

Grab samples of silica / sulfide stockwork in clastic rocks collected at the Outlook Ridge target by Adamera yielded assays ranging from 2 to 64 g/t gold.



The Outlook Ridge induced polarization (IP) anomaly, which extends for more than 500 metres, is characterised by moderate chargeability and moderate to low resistivity, corroborating the presence of a zone with gold-rich sulfide bearing quartz veins and silica alteration. Based on the IP data, this zone is interpreted to be subvertical and approximately 15 metres wide near surface. Increasing chargeability with depth may suggest increased sulfide content and/or widening at depth. The IP anomaly at Outlook Ridge extends to the north and south for several hundred metres.

See news releases on January 15, 2019, February 14, 2019, February 26, 2019, March 20, 2019, March 27, 2019, April 10, 2019, April 30, 2019, May 22, 2019, May 28, 2019, June 4, 2019 and July 17, 2019.

INTERIM PERIOD FINANCIAL CONDITION

Capital Resources

On April 30, 2019, the Company completed a non-brokered private placement for the issuance of 4,000,000 units at \$0.05 per unit for a total of \$200,000. Each unit consisted of one common share and one share purchase warrant. Each share purchase warrant entitles the holder to purchase one additional common share at a price of \$0.05 until April 30, 2021. If however the closing price of the Company's shares are \$0.12 or greater for a period of 10 consecutive trading days, the warrant holder will have 30 days to exercise their warrants; otherwise the warrants expire on the 31st day. The Company paid 10,000 finder shares at \$0.05 per share under this private placement.

On October 16, 2019, the Company announced a non-brokered private placement of up to 8,333,333 units at a price of \$0.03 per unit. Each unit will consist of one common share and one non-transferable share purchase warrant. Each share purchase warrant entitles the holder to purchase one additional common share at a price of \$0.06 for a period of one year. The Company continues to work on the financing and expects to have it closed shortly.

These funds will be used to continue the execution of the Company's program at the Cooke Mountain project as well as for general and administrative costs.

On August 28, 2019, 7,100,000 warrants expired and subsequently on November 19, 2019, 7,438,750 warrants expired.

The Company is aware of the current conditions in the financial markets and has planned accordingly. The Company's current treasury and the future cash flows from equity issuances and the potential exercise of warrants, finders' warrants and options, along with the planned developments within the



Company will allow its efforts to continue throughout 2019. If the market conditions prevail or improve, the Company will make adjustment to budgets accordingly.

Liquidity

As at September 30, 2019, the Company had working capital deficiency of \$354,228 (December 31, 2018 – \$154,279). As at September 30, 2019, cash totaled \$12,698, a decrease of \$126,050 from \$138,748 as at December 31, 2018. The decrease was mainly due to (a) operating activities of \$209,997; (b) expenditures on mineral properties of \$128,001; and (c) \$280,916 repayment of lease liabilities while being offset by (d) cash received from subleasing of \$296,750 and (e) net proceeds from financing activities of \$195,548.

Operations

For the three months ended September 30, 2019 compared with the three months ended September 30, 2018:

The Company recorded a net loss for the three months ended September 30, 2019 of \$93,934 (loss per share - \$0.00) compared to a net loss of \$92,949 (loss per share - \$0.00) for the three months ended September 30, 2018.

Due to the new accounting policies IFRS 16 regarding leases being in effect as of January 1, 2019, the Company needs to capitalize its lease liabilities and lease receivables on the balance sheet while in the previous period, the Company captured the lease obligation and sublease recovery as operation and reflected on the income statement. As a result, during fiscal 2019, the Company recognized these amounts in the statement of loss and comprehensive loss: depreciation of right-of-use assets of \$5,444, interest expense on lease liabilities of \$6,886, rent of \$2,779, finance income on sublease of \$7,409 and income from subleasing of \$6,592; while during fiscal 2018, the Company recognized these amounts in the statement of loss and comprehensive loss: rent of \$94,356 and rental income of \$96,317.

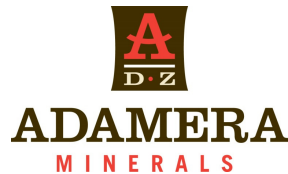
Excluding the above noted accounts related to leasing and the non-cash depreciation of \$376 (2018 - \$465), the Company's general and administrative expenses amounted to \$92,450 (2018 - \$94,445), a decrease of \$1,995. The change in the expenses was mainly due to the Company conserving cash.

For the nine months ended September 30, 2019 compared with the nine months ended September 30, 2018:

The Company recorded a net loss for the nine months ended September 30, 2019 of \$304,283 (loss per share - \$0.00) compared to a net loss of \$334,071 (loss per share - \$0.00) for the nine months ended September 30, 2018.

Due to the adoption of IFRS 16, during fiscal 2019, the Company recognized these amounts in the statement of loss and comprehensive loss: depreciation of right-of-use assets of \$16,333, interest expense on lease liabilities of \$25,575, rent of \$8,447, finance income on sublease of \$26,894 and income from subleasing of \$28,750; while during fiscal 2018, the Company recognized these amounts in the statement of loss and comprehensive loss: rent of \$272,338 and rental income of \$281,109.

Excluding the above noted accounts related to leasing and the non-cash depreciation of \$1,128 (2018 - \$1,395), the Company's general and administrative expenses amounted to \$308,444 (2018 - \$341,447), a decrease of \$33,003. The change in the expenses was mainly due to the Company conserving cash.



SIGNIFICANT RELATED PARTY TRANSACTIONS

During the quarter, there was no significant transaction between related parties.

COMMITMENTS, EXPECTED OR UNEXPECTED, OR UNCERTAINTIES

As of the date of the MD&A, the Company has no outstanding commitments.

Other than disclosed in this MD&A – Quarterly Highlights, the Company does not have any commitments, expected or unexpected, or uncertainties.

RISK FACTORS

In our MD&A filed on SEDAR April 18, 2019 in connection with our annual financial statements (the “Annual MD&A”), we have set out our discussion of the risk factors which we believe are the most significant risks faced by Adamera. An adverse development in any one risk factor or any combination of risk factors could result in material adverse outcomes to the Company’s undertakings and to the interests of stakeholders in the Company including its investors. Readers are cautioned to take into account the risk factors to which the Company and its operations are exposed. To the date of this document, there have been no significant changes to the risk factors set out in our Annual MD&A.

DISCLOSURE OF OUTSTANDING SHARE DATA

The authorized share capital of the Company consists of an unlimited number of common shares without par value. The following is a summary of the Company’s outstanding share data as at September 30, 2019:

	Issued and Outstanding	
	September-30-19	November-26-19
Common shares outstanding	145,441,928	145,441,928
Stock options	9,275,000	9,275,000
Warrants	24,831,497	17,392,747
Fully diluted common shares outstanding	179,548,425	172,109,675

QUALIFIED PERSON

Martin St. Pierre, P.Geog is the Company's qualified person, reviewing the exploration projects described throughout the MD&A and is responsible for the design and conduct of the exploration programs and the verification and quality assurance of analytical results.

Cautionary Statements

This document contains “forward-looking statements” within the meaning of applicable Canadian securities regulations. All statements other than statements of historical fact herein, including, without limitation, statements regarding exploration results and plans, and our other future plans and objectives, are forward-looking statements that involve various risks and uncertainties. Such forward-looking statements include, without limitation, our estimates of exploration investment, the scope of our exploration programs, and our expectations of ongoing administrative costs. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Important factors that could cause actual results to



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differ materially from our expectations are disclosed in the Company's documents filed from time to time via SEDAR with the Canadian regulatory agencies to whose policies we are bound. Forward-looking statements are based on the estimates and opinions of management on the date the statements are made, and we do not undertake any obligation to update forward-looking statements should conditions or our estimates or opinions change, except as required by law. Forward-looking statements are subject to risks, uncertainties and other factors, including risks associated with mineral exploration, price volatility in the mineral commodities we seek, and operational and political risks. Readers are cautioned not to place undue reliance on forward-looking statements.