



ADAMERA MINERALS

ADAMERA MINERALS CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS FOR THE THREE MONTHS ENDED MARCH 31, 2021

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 throughout 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 May 27, 2021 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 three months ended March 31, 2021 and the Company’s audited consolidated financial statements for the year ended December 31, 2020 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

Directors update:

On March 23, 2021, Christopher Herald was appointed as a director of the Company.

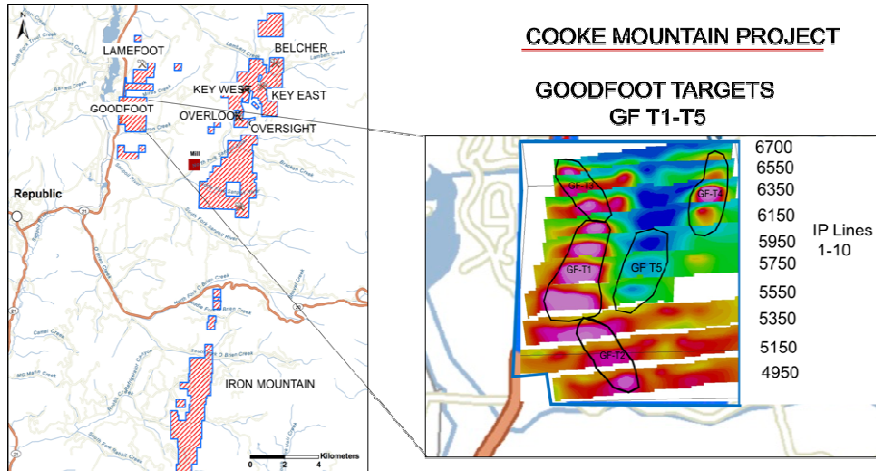
Cooke Mountain Project

On February 11, 2021, the Company announced the completion of target development on the Goodfoot gold property, a part of the Cooke Mountain project.

A total of five targets on the Goodfoot property had been identified as candidates for drilling in 2021.

In 2020 the JV completed deep penetrating Induced Polarization (“IP”) surveys at Goodfoot resulting in five significant targets being defined, GF-T1 to GF-T5. The survey was designed to enable target modelling to a depth of approximately 225 metres. Previous “IP” surveys only had the capability to model targets to a depth of approximately 70 metres.

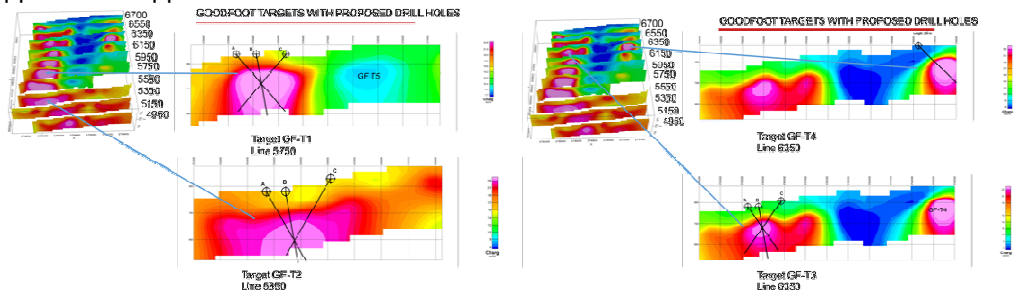
Details of the Survey



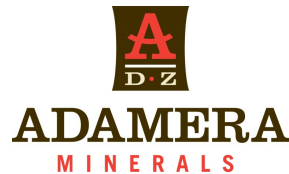
The 2020 Goodfoot “IP” survey was conducted over the entire IP property on 200 metre line spacings with a dipole-dipole array using 50 metre dipoles and N=1 to 8 separation in order to penetrate to approximately 225 metres. The data was subsequently modelled with inversion software. The original IP survey in 2018 was conducted on lines 50 and 100 metres apart with a dipole-dipole array using 25 metre dipoles and N =1 to 5 separation. This provided high resolution information to a depth of approximately 70 metres that covered a limited portion of the GF-T1 target.

Target GF-T1 is the highest priority target based on the extent of the “IP” anomaly and the presence of gold in soil samples above the anomaly. Modelling of the target suggests that it may expand at depth. GF-T1 strike length is approximately 300 metres north-south at 70 metres depth and expands to 850 metres at a depth of 130 metres.

Targets GF-T2 and GF-T3 are also supported by gold in soils. The targets may represent north and south extensions of the GF-T1 target respectively. GF-T4 is approximately 1 km to the east of GF-T1 and is supported by a single gold in soil sample with 469 ppb gold. GF-T5 is located immediately east of GF-T1 and is coincident with a zone of high resistivity with significant gold anomalies in soil ranging from 30 ppb to 1090 ppb.



The Lamefoot Gold Mine to the north contained nearly a million ounces of gold at a reported grade of 8 to 10 g/t. The deposit was not exposed at surface and occurred at and near a limestone – clastic contact. The GF-T1, GF-T2 and GF-T3 targets at Goodfoot are adjacent to a similar limestone – clastic contact



and are supported by gold values ranging from 30 to 700 ppb in soil samples located in the immediate vicinity of the “IP” anomalies projected to surface.

On March 30, 2021, the Company announced that the 2021 exploration budget at the Cooke Mountain project was anticipated to be US\$1-million and would include a phase 1 drilling program of about 3,000 metres to test a minimum of four targets.

On May 6, 2021, the Company announced the start of its 2021 drilling program at the Cooke Mountain project. The drill was sited on the Lamefoot South property, the first of three properties to be drilled.

The first target, HA-1, is defined by an “IP” anomaly with gold in soils and a geological setting (limestone-clastic contact) that appears to be similar to that of the past producing Lamefoot gold mine located 1,300 metres to the north.

See 2021 news releases dated February 11, March 30 and May 6, 2021.

Buckhorn 2.0 Project

On March 30, 2021, the Company announced that the exploration at Buckhorn 2.0 project would ramp up as the snow melted. The Keystone prospect, located immediately south of the Buckhorn gold mine landholding (Kinross Gold), is the first target. Exploration is to be extended to other parts of the property that Adamera considered most prospective later in the spring. Permitting is in process, and an initial drill program is anticipated later in the year.

See news release dated March 30, 2021.

INTERIM PERIOD FINANCIAL CONDITION

Capital Resources

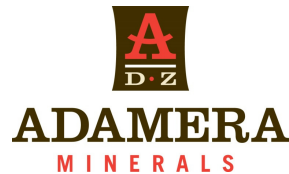
On March 18, 2021, the Company completed a non-brokered private placement for the issuance of 16,250,000 units at \$0.10 per unit for a total of \$1,625,000. Each unit consisted of one common share and one-half share purchase warrant. Each share purchase warrant entitles the holder to purchase one additional common share at a price of \$0.15 until March 18, 2023. These warrants have a forced exercise price. If the closing price of the Company’s shares are \$0.25 or greater for a period of 10 consecutive trading day, the warrant holder will have 30 days from the date the Company gives notice to exercise their warrants; otherwise the warrants expire on the 31st day after the Company gives such notice. The Company paid finder’s fee of \$2,750 and issued 27,500 finder’s warrants. Each finder’s warrant is exercisable into one common share at \$0.15 until March 18, 2022.

During the three months ended March 31, 2021, a total of 2,802,000 warrants were exercised for proceeds of \$140,100.

During the three months ended March 31, 2021, the Company granted 960,000 stock options to one of its directors at a price of \$0.10 for a period of 5 years.

Subsequent to March 31, 2021, a total of 7,845,000 warrants were exercised for gross proceeds of \$392,250 and 400,000 warrants expired unexercised.

Subsequent to March 31, 2021, the Company granted 225,000 stock options to employees at a price of \$0.10 for a period of 1 year.



Given that the exploration work at Cooke Mountain project will be funded by Hochschild, management estimates that the current cash position, and future cash flows from warrants and options, financings and receivables the Company may achieve, may be sufficient for the Company to carry out its anticipated exploration and operating plans through fiscal 2021.

There may be circumstances where, for sound business reasons, a reallocation of funds may be necessary in order for the Company to achieve its stated business objectives.

Liquidity

As at March 31, 2021, the Company had a working capital of \$2,091,223 (December 31, 2020 – \$550,402). As at March 31, 2021, cash totaled \$2,181,143, a total increase of \$1,536,470 from \$644,673 as at December 31, 2020. The increase was mainly due to (a) net proceeds received from share issuances of \$1,733,525; (b) cash received from subleasing of \$105,233; while being offset by (c) operating activities of \$218,692; (d) repayment of lease liabilities of \$76,506; and (e) expenditures on mineral properties net of amount received from the optionee of \$7,522.

Operations

For the three months ended March 31, 2021 compared with the three months ended March 31, 2020:

The Company recorded a net loss for the three months ended March 31, 2021 of \$249,226 (loss per share - \$0.001) compared to a net loss of \$143,466 (loss per share - \$0.001) for the three months ended March 31, 2020.

Excluding the non-cash depreciation of \$206 (2020 - \$278), depreciation of right-of-use assets of \$3,538 (2020 - \$3,136), interest expenses on lease liabilities of \$20,621 (2020 - \$2,018) and share-based compensation of \$40,380 (2020 - \$nil), the Company's general and administrative expenses amounted to \$212,845 (2020 - \$147,024), an increase of \$65,821. The change in expenses was mainly due to increase in consulting fees of \$60,000 (2020 - \$nil) as the Company has been active in promoting to its shareholders and potential investors regarding the Company's operating activities as well as its exploration programs on its properties.

The other major item for the three months ended March 31, 2021, compared with March 31, 2020, was:

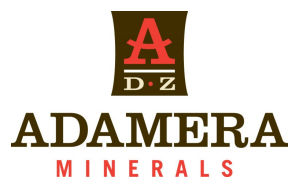
- Finance income on sublease of \$28,364 (2020 - \$3,770).

SIGNIFICANT RELATED PARTY TRANSACTIONS

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

COMMITMENTS, EXPECTED OR UNEXPECTED, OR UNCERTAINTIES

The Company leased an office space under a non-cancellable operating lease for a period of two years expiring on August 31, 2020 which was extended for five years to August 31, 2025. Total lease liabilities of \$1,166,502 were recorded as at March 31, 2021.



RISK FACTORS

In our MD&A filed on SEDAR April 28, 2021 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 March 31, 2021:

	Issued and Outstanding	
	March 31, 2021	May 27, 2021
Common shares outstanding	195,963,595	203,808,595
Stock options	14,350,000	14,575,000
Warrants	32,140,247	23,895,247
Fully diluted common shares outstanding	242,453,842	242,278,842

QUALIFIED PERSON

Martin St. Pierre, P.Geo 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 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.