Annual Report to Shareholders for the Fiscal Year Ended May 31, 2019
Management Discussion and Analysis

Dear Shareholders:

The following discussion and analysis were prepared as of June 30, 2020 and should be read in conjunction with the Company's audited annual consolidated financial statements for the years ended May 31, 2019 and 2018. These consolidated accounts, including comparatives, have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") and in accordance with International Accounting Standards ("IAS").

This Management Discussion and Analysis contains forward-looking statements. Forward-looking statements are statements that relate to future events. These statements are only predictions and involve known and unknown risks, uncertainties and other factors that may cause our or our industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect our current judgment regarding the direction of our industry, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions or other future performance suggested herein. Except as required by applicable law, the Company does not intend to update any of the forward-looking statements to conform these statements to actual results.

DESCRIPTION OF BUSINESS

a) African Metals Corporation ("the Company" or "AFR") was incorporated on May 12, 1980 in British Columbia, Canada. On March 26, 2010, the Company acquired 100% of Chevalier Resources Inc, ("Chevalier") a company incorporated under the Canada Business Corporations Act, which held a 57% interest in Luisha Mining Enterprise SARL, ("LME") a company incorporated in the Democratic Republic of the Congo ("DRC"), and which held a 100% interest in the Luisha copper-cobalt property in DRC. In the period ended February 29, 2010, the Company through its subsidiary, Chevalier, acquired an additional 18% interest bringing its total interest in Luisha to 75%. On 27 July 2016 The DRC Government, in accordance with the Article 71 of the DRC Mining Code (2002) granted a full Exploitation Permit license valid until 3 April 2046. As per the DRC Mining Code (2002), the Company transferred 5% of the existing LME shares to the DRC Government ("DRC Interest"), the 5% interest held by the DRC Government cannot be diluted. The Company incorporated Kundelungu Minerals Resources Sprl ("KMR") in the DRC, which was intended to be used for other mineral property acquisitions and related business activities in that country. The Company also incorporated two BVI subsidiaries, African Metals Holdings (BVI) Ltd. which owned the 75% interest in LME in replacement of Chevalier, and African Metals Resources (BVI) Ltd. KMR was 99% owned by the Company. On July 27, 2016, the application for the renewal and conversion of the Luisha South PEPM 4881 permit to a full 30-year mining exploitation permit ("PE") was approved and granted. As a condition of the granting of the permit in accordance with the DRC Mining Code Article 71, the Company approved the transfer to the DRC government of a 5% interest in the shares of Luisha Mining Enterprises ("LME"), which held the exploitation permit for the Luisha South project, as one of the final stages before the issuance of the PE 4881 permit certificates. The DRC Government share interest was to be free of charge and could not be diluted. Following the Article 71 share transfer, the Company held a 71.25% interest in the Luisha South project and TSM Entreprise S.A.R.L. ("**TSM**") held the remaining 23.75% interest. All fees were paid for the PE 4881 permit and the permit was issued to LME.

Sale of Assets:

The company entered into a purchase agreement dated May 23, 2018 (the "**Original Agreement**") with Luisha Mining Enterprises SARL, ("LME"), Excellen Minerals SARL ("**Project Company**") and Simeon Tshisangama ("Tshisangama") (collectively, the "**Parties**"), with the intention of effecting the Sale by transferring the Target Assets to the Project Company. Such Original Agreement was subsequently amended and supplemented by the Parties by a supplemental agreement dated August 9, 2018 (the "**Supplemental Agreement**").

The sale of the Target Assets included, through LME, an indirect subsidiary of the Company (the Company indirectly owned 71.25% of LME) the Company controlled the ownership of: (i) mining rights in the mining area governed by No. 4881 Mining License (the "**Mining License**") in the DRC; (ii) ore mined from the Mining Area; and (iii) other movables and real estates (collectively, the "**LME Assets**"). The balance of the ownership of the License was as follows: TSM owned 23.75% of LME, and the government of the Democratic Republic of Congo ("**DRC**") owned 5% of LME. The Company also directly or indirectly through a subsidiary owned a 100% interest in a dense medium separation plant (the "**DMS Plant**", and collectively with the **LME Assets**, the "**Target Assets**").

Under the Original Agreement, as amended and supplemented by the Supplemental Agreement (the "**Amended Agreement**"), the Parties intended that, on closing of the Sale (the "**Closing**"), the Target Assets would be transferred to the Project Company.

On October 5, 2018 a Special Shareholder meeting was held to approve by special resolution, the sale of all or substantially all of the Company's assets and guarantee of Luisha Mining Enterprise SARL's obligations under the related sale agreement (the "Special Resolution"), as more particularly described and set forth in the Management Information Circular (the "Circular") which was sent to the shareholders.

The Company required a special majority ($66^{2/3}$%) of the votes cast at the Meeting as well as approval of a simple majority of the votes cast at the Meeting of the disinterested Shareholders, which Shareholders are all Shareholders other than TSM and Tshisangama who are considered "related parties" under MI 61-101. Of the 14,038,681 issued and outstanding shares of the Company, 4,987,134 shares were represented at the Meeting in person or by proxy. The results of the vote were 4,987,084 (99.999%) in favour of the Special Resolution and 50 (0.001%) against.

On December 6, 2018, the Company completed the sale of all or substantially all its assets as approved by special resolution of its shareholders.

The sale price was $10,000,000 USD (Ten Million US Dollars). Upon closing all relevant documentation and conditions were satisfied including approval from the relevant authorities in the DRC of the transfer of the Mining License; and payment of $6,000,000 USD (Six Million US Dollars) to the secured creditor, Traxys Europe SA.

The Company is a mineral exploration company with a registered office in Vancouver, British Columbia which, as of December 6, 2018, no longer has mineral properties in the Democratic Republic of the Congo ("DRC"). The Company is a reporting issuer in British Columbia and Alberta. The Company currently has a "cease trading" order issued and is listed on the NEX board of the TSX Venture Exchange (symbol AFR.H) whose shares are suspended from trading while the Company completes the necessary SEDAR filings and applications to allow it to be reinstated as a reporting issuer in good standing and reinstated for trading on the TSX Venture Exchange.

The functional currency of the Company, Chevalier Resources Inc., African Metals Holdings (BVI) Ltd., and African Metals Resources (BVI) Ltd. is the Canadian dollar. The functional currency of KMR and LME is the United States dollar. The Company's subsidiaries with a United States dollar functional currency have been translated into Canadian dollars as follows: assets and liabilities are translated at year end exchange rates, while revenues and expenses are translated using average rates over the year.

SUMMARY OF ANNUAL RESULTS

The following table sets forth selected financial information for the Company for the last three completed financial years ended May 31, 2019, 2018 and 2017. This information has been derived from the Company's audited consolidated financial statements for each of those years and should be read in conjunction with those financial statements and the notes thereto.

		May 31, 2019		May 31, 2018		May 31, 2017
Net income (loss) in total	$	10,395,944	$	(665,571)	$	(1,072,067)
On a per share basis		0.75		(0.03)		(0.08)
Total Assets	$	2,836,115	$	3,158,871	$	3,290,793
Total Liabilities	$	509,416	$	11,033,244	$	10,755,326
Total Shareholders' Equity (Deficiency)	$	2,326,699	$	(7,874,373)	$	(7,464,533)

FINANCIAL ANALYSIS

The total expenses for the years ended May 31, 2019, 2018 and 2017 are listed below:

EXPENSES		**2019**		**2018**		**2017**
Audit and accounting	$	125,909	$	15,000	$	21,300
Bank charges		1,008		-		39
Cost of sales and site costs		131,140		48,227		369,941
Interest expense		223,260		402,242		410,781
Legal fees		19,667		-		-
Listing and filing fees		9,037		7,899		4,497
Management fees		84,000		144,000		138,000
Mining royalty taxes		-		-		4,962
Office, telephone and miscellaneous		5,293		1,017		2,521
Promotion and shareholder relations		5,477		2,839		-
Rent		10,300		1,200		-
Salaries		88,867		43,147		119,684
Transfer Agent		4,288		-		342
Government filing fees		8,118		-		-
Interest income		(35,567)		-		-
Total expenses before items below		680,979		665,571		1,072,067
Foreign exchange (gain)/loss		(321,514)		-		-
Gain on forgiveness of debt		(2,633,136)		-		-
Total Income (Expenses)	$	2,273,853	$	(665,571)	$	(1,072,067)

For the year ended May 31, 2019 compared to 2018

The consolidated net income of $10,395,944 in 2019 was substantially related to the sale of the mine which provided a net gain of $8,122,091. There was interest expense of $223,260 on the loan payable, management fees and salaries of $124,833. There was no revenue during the year however there were cost of sales to maintain the property. By comparison, the consolidated net loss of $ 665,571 in 2018 included interest costs of $402,242 and management fees and salaries of $187,147.

The total expenses for the year ended May 31, 2019 were lower compared to 2018 due to the sale of the mine and related reduction of expenses. The interest expense for 2019 amounted to $223,260 compared to $402,242 in 2018.

For the year ended May 31, 2018 compared to 2017

The consolidated net loss of $665,571 in 2018 was substantially related to interest costs of $402,242. By comparison in 2017, the consolidated net loss of $1,072,067 included sales of low-grade stockpile material totaling $289,491 against cost of goods sold of $659,432 for a net cost of $369,941. The interest costs for 2017 was $410,781.

The total expenses for the year ended May 31, 2018 were also lower compared to 2017 due to lower salaries, cost of stockpile sales, accounting, legal and audit costs in 2017. The interest expense for 2018 amounted to $402,242 compared to $410,781 in 2017.

LIQUIDITY AND CAPITAL RESOURCES

Cash and Solvency

As at May 31, 2019, the Company had cash of $2,774,022 compared to $6,898 as of May 31, 2018. The Company had working capital at May 31, 2019 of $2,326,699 compared to a deficiency of $11,019,682 at May 31, 2018. As at May 31, 2019 the Company had an accumulated deficit of $34,955,142 compared to $45,351,086 at May 31, 2018.

Prior to the election of the current Board of Directors, the Company was essentially insolvent. Following the completion of the sale of all or substantially all its assets, which was arranged by the current Board of Directors, the Company became solvent and had sufficient working capital to meet its obligations for at least the subsequent twelve months.

Operating Activities

Cash flow from operating activities for the 2019 fiscal year was a use of funds of $1,476,412 compared to the use of funds of $19,927 in the 2018 fiscal year.

Financing Activities

On December 6, 2018, a majority of the proceeds from the sale of the mine was utilized to repay the loan from Traxys. The repayment total was $7,028,554. Currently there is no loan balance owing.

During the 2019 fiscal year, the Company issued no common shares.

Investing Activities

During the 2019 fiscal year, the Company, sold its mine assets resulting in a net sale of $8,122,091 which included costs such as legal ($213,144), commission fee ($676,533), and loan cancellation fee ($925,224). The cost of the plant was $1,540,073 and the cost of the mine asset was $1,605,236.

During the 2018 fiscal year, the Company had no investing activities and no investing activities for exploration and evaluation assets.

FINANCIAL INSTRUMENTS

Financial assets

The Company classifies its financial assets into one of the following categories as follows:

Fair value through profit or loss - This category comprises derivatives and financial assets acquired principally for the purpose of selling or repurchasing in the near term. They are carried at fair value with changes in fair value recognized in profit or loss.

Loans and receivables - These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at amortized cost using the effective interest method less any provision for impairment.

Held-to-maturity investments - These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest method less any provision for impairment.

Available-for-sale - Non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized in other comprehensive income (loss). Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from accumulated other comprehensive income (loss) and recognized profit or loss.

All financial assets except those measured at fair value through profit or loss is subject to review for impairment at least at each reporting date. Financial assets are impaired when there is objective evidence of impairment as a result of one or more events that have occurred after initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets.

Financial liabilities

The Company classifies its financial liabilities into one of two categories as follows:

Fair value through profit or loss - This category comprises derivatives and financial liabilities incurred principally for the purpose of selling or repurchasing in the near term. They are carried at fair value with changes in fair value recognized in profit or loss.

Other financial liabilities: This category consists of liabilities carried at amortized cost using the effective interest method.

The Company has classified its cash as fair value through profit and loss. The Company’s accounts payable and accrued liabilities, and loan payable are classified as other financial liabilities.

Off-balance sheet agreements

The Company has not entered into any off-balance sheet agreements.

Proposed transactions

At the date of this MD&A, there are no proposed transactions other than the option agreement with Frederick PEC regarding the SBSL mineral exploration project in Montana as noted in the Subsequent Events Note below.

RELATED PARTY TRANSACTIONS

During the 2019 fiscal year, the Company paid or accrued the following: Management fees totalling $84,000 (May 31, 2018 - $84,000) were incurred with directors of the Company as follows: $24,000 (May 31, 2018 - $24,000) to a company controlled by David Mason, and $60,000 (May 31, 2018 - $60,000) to Simeon Tshisangama.

Additional management fees totalling $60,000 (May 31, 2018 - $60,000) were incurred with a company related to Daniel Gregory, Chief Financial Officer and Corporate Secretary.

Legal fees totalling $183,504 (May 31, 2018 - $NIL) were paid to John F. O'Donnell, a Director

No stock options were issued to offices and directors of the Company during the year ended May 31, 2019.

SIGNIFICANT ACCOUNTING POLICIES

Key sources of estimation uncertainty and critical accounting judgments

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. Information about significant areas of estimation uncertainty and judgments made by management in preparing the consolidated financial statements are described below:

Significant estimates made by management affecting the financial statements include:

Carrying value of non-current assets:

The carrying amount of the Company's non-current assets including exploration and evaluation assets and plant and equipment does not necessarily represent present or future values.

The Company's exploration and evaluation assets have been accounted for under the assumption that the carrying amount will be recoverable. Recoverability is dependent on various factors, including the discovery of economically recoverable mineral resources, the ability of the Company to obtain the necessary financing to complete the development and upon future profitable production or proceeds from the disposition of the mineral properties themselves. Additionally, there are numerous geological, economic, environmental and regulatory factors and uncertainties that could impact management's assessment as to the overall viability of its properties or to the ability to generate future cash flows necessary to cover or exceed the carrying value of the Company's exploration and evaluation assets properties.

To the extent that any of management's assumptions change, there could be a significant impact on the Company's future financial position, operating results and cash flows.

At May 31, 2019, there was no requirement for management to assess the carrying value of the Company's exploration and evaluation assets and plant and equipment as those assets were sold.

Share-based payments:

Charges for share-based payments are based on the fair value at the date of the award. Stock options are valued using the Black-Scholes option pricing model, and inputs to the model include assumptions on expected volatility, discount rates and expected term, dividend yield, and expected forfeitures. Any changes in the estimates or inputs utilized to determine fair value could result in a significant impact on the Company's future operating results or on other components of shareholders' equity. Expected volatility is a measure for variation of a price of a financial instrument over time. Expected volatility is derived from a time series of past market prices therefore may not be an accurate representation of future volatility.

Income taxes:

Tax interpretations, regulations and legislation in Canada and the Democratic Republic of Congo, in which the Company and its subsidiaries operate, are subject to change. As such, income taxes are subject to measurement uncertainty. Deferred tax assets are assessed by management at the end of the reporting period to determine the likelihood that they will be realized from future taxable earnings. Upon the sale of LME, the Company utilized tax carryforwards to offset any taxable income, and subsequently dissolved LME. The Company has estimated there are no taxes payable as of May 31, 2019.

CHANGES IN ACCOUNTING POLICIES AND RECENT PRONOUNCEMENTS

New standards adopted during the year

During the year ended May 31, 2019 the Company adopted IFRS 9 Financial Instruments. The rest of the accounting policies followed in the presentation of the consolidated financial statements are consistent with those of the previous financial year.

New standards and interpretations not yet adopted

The Company has not yet adopted the following new accounting pronouncements which are effective for fiscal periods of the Company beginning on or after June 1, 2019:

International Financial Reporting Standard 16 Leases ("IFRS 16")

This standard was published in January 2016 and becomes effective on January 1, 2019, replacing the existing guidance in IAS 17, 'Leases'. IFRS 16 introduces a single accounting model for lessees and for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee will be required to recognize a right-of-use asset, representing its right to use the underlying asset, and a lease liability, representing its obligation to make lease payments. The Company will adopt this standard effective January

1, 2019. Under this standard, the present value of lease commitments will be shown as a liability on the statement of financial position together with an asset representing the right of use, including those leases classified as operating leases under the current standard IAS 17. This implies higher amounts of depreciation expense and interest expense on lease liabilities will be recorded in the Company's consolidated net earnings or loss in 2019 and future years. Additionally, a corresponding reduction in general and administrative costs and/or production costs is expected.
The Company is not engaged in any customer contracts and as such there is no impact of adopting this standard.

International Financial Reporting Standard 23 ("IFRIC 23") Uncertainty over Income Tax Treatments

IFRIC 23 is a new standard to clarify the accounting for uncertainties in income taxes. The interpretation provides guidance and clarifies the application of the recognition and measurement criteria in IAS 12 "Income Taxes" when there is uncertainty over income tax treatments. The interpretation is effective for annual periods beginning on January 1, 2019. The Company does not expect a significant impact on its financial statements from the adoption of this standard. The company sold its assets as disclosed in Note 16 and utilized loss carry forwards to offset any potential taxes. While the company concluded that the risk of any taxes owing in the DRC is remote, the adoption of this standard may have a material impact on the Company's financial statement.

OTHER SIGNIFICANT TRANSACTIONS

During the year, the Company entered into an agreement to sell the assets of the Company. The description of the sale was stated on page 1 of this MD&A.

Share Capital Transactions

During the year no common shares were issued.

OUTSTANDING SHARE CAPITAL DATA

As at May 31, 2019, there were 14,038,682 common shares and 650,000 stock options outstanding to purchase shares of which 500,000 exercisable at $0.05 until December 18, 2020; and 150,000 exercisable at $0.05 until January 28, 2021.

DISCUSSION OF OPERATIONS

Securing Finance

During this period, the Company was successful in securing financing through the sale of the project resulting in net cash generated in December 2018.

SUMMARY OF QUARTERLY RESULTS

The following tables summarize information derived from the Company's financial statements for each of the eight most recently completed quarters:

Quarter Ended:	**31-May**	**28-Feb**	**Nov. 30**	**Aug. 31**	**May 31,**	**Feb. 29,**	**Nov. 30,**	**Aug. 31,**
Year:	**2019**	**2019**	**2018**	**2018**	**2018**	**2018**	**2017**	**2017**
Total Revenues	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Gain (Loss)	$ 2,474,307	$ 8,150,937	$ (182,253)	$ (47,047)	$ (154,308)	$ (154,308)	$ (154,308)	$ (202,647)
Gain (Loss) per share basis (1)	$ 0.176	$ 0.581	$ (0.013)	$ (0.003)	$ (0.01)	$ (0.01)	$ (0.01)	$ (0.02)

(1) *post consolidated*

SUBSEQUENT EVENTS

Subsequent to the May 31, 2019 period, the Company has completed or undertaken certain corporate transactions, summarized as follows:

The Company sold its assets on December 6, 2018 as stated on page 1 of this MD&A.

African Metals Corporation and Frederick Private Equity Corporation
Sign Agreement on the Silver Bell - St. Lawrence Gold Project, Montana

On April 26, 2019, African Metals Corporation announced that it has entered an agreement whereby the Company may acquire a majority interest in the Silver Bell - St. Lawrence Gold Project, in the Virginia City Mining District of Montana, U.S.A. from Frederick Private Equity Corporation ("Frederick PEC"). Under the Agreement, the Company may initially earn a 51% interest in the Project by making annual US$10,000 option payments and spending US$1,000,000 in exploration expenditures within four years with a minimum of $200,000 in expenditures during the first year. The Project comprises a 390-acre claim package located about 4 miles southwest of Virginia City in Madison County, Montana, and about 50 miles southeast of Butte, Montana. There is also an area of interest around the Project.

Pursuant to an underlying Exploration Agreement with Venture Option (the "Underlying Agreement") by and between SBSL Subsidiary Corporation, a Montana corporation ("SBSL"), the address of which is 380 Wellington Street, Tower B 6th Floor, London, Ontario N6A 5B5, and Frederick Private Equity Corporation, an Ontario corporation ("Frederick"), the address of which is Suite 802, 159 Frederick Street, Toronto, Ontario, Frederick PEC may first earn a 51% interest in the Project by making annual US$10,000 option payments to SBSL and spending US$1,000,000 in exploration expenditures within four years with a minimum of $200,000 in expenditure during the first two years. Frederick PEC may earn a further 24% interest (the "Second Earn-In Option") in the Project by then making annual US$25,000 option payments and spending an additional US$1,000,000 in exploration expenditures over a two-year period following the establishment of the first 51% interest, for a total of US$2,000,000 to earn a 75% interest. After Frederick PEC has earned either a 51% or a 75% interest, as the case may be, a mining venture or mining company may be formed with respect to the Project, and Frederick PEC and Peloton will contribute their respective share of further exploration and development expenditures. In the event that either party's interest is diluted to ten percent (10.0%) or less, it shall relinquish its interest to the other party, in return for a royalty agreement that conveys to the diluting party a royalty of two percent (2.0%) of net smelter returns on all minerals thereafter produced and removed from the Project. In the event that either party's interest is diluted to ten percent (10.0%) or less, it shall relinquish its interest to the other party, in return for a royalty agreement that conveys to the diluting party a royalty of two percent (2.0%) of net smelter returns on all minerals thereafter produced and removed from the Property. The non-diluting party may, at any time, buy-down that royalty by one percent (1.0%), so that the total royalty is one percent (1.0%) of net smelter returns, by paying US$250,000.00 to the royalty holder. With respect to the claims comprising the Property which are subject to an existing 2% NSR with no buy-down rights, if SBSL is unable to negotiate a buy-down right from the holder, in the event that either party's interest is diluted to ten percent (10.0%) or less, it shall with respect to such claims relinquish its interest to the other party, in return for a royalty agreement that conveys to the diluting party a royalty of one percent (1.0%) of net smelter returns on all minerals thereafter produced and removed from the Property. The non-diluting party may, at any time, buy-down that royalty by one-half of one percent (0.5%), so that the total royalty is one-half of one percent (0.5%) of net smelter returns, by paying US$250,000.00 to the royalty holder. The Project is subject to an earlier outstanding 2% NSR, the majority of which can be bought down to one percent (1%), and a buy down option on the remaining claims is being sought.

The Company agreed to make all of the exploration expenditures and annual option payments required to be made by Frederick PEC to SBSL to exercise the Option and the minimum exploration expenditures to be made in the first two years pursuant to the Underlying Agreement within one year of the execution of the Underlying Agreement.

Frederick PEC retains the right to earn the additional 24% Second Earn-In Option if it chooses to do so. If it elects not to earn the Second Earn-In Option, it shall transfer and assign the right to do so to the Company upon payment to Frederick PEC of 1,000,000 fully paid and non-assessable common share of the Company or an Affiliate company into which the rights under this Agreement may have been further transferred or assigned by the Company, subject to all regulatory and stock exchange requirements. To be clear, this provision shall not apply unless the Company is successful in having its current cease trading order lifted, otherwise this provision shall be null and void with no force and effect. In such event, the Company will be responsible for funding all additional exploration expenditures and option payments required to earn the Second Earn-In Option. If Frederick PEC elects to earn the Second Earn-In Option, it shall make the necessary exploration expenditures and option payments required to earn the Second Earn-In Option, provided however that the Company will be responsible for paying its proportionate share of such exploration expenditures and option payments equal to a ratio of 51 to 24 reflecting the respective proportionate interests of the parties in the Property. In the event that the Company does not contribute its proportionate share of such exploration expenditures and option payments and Frederick PEC has earned the Second Earn-In Option, the interest of the Company shall be diluted to 24% and the interest of Frederick PEC shall be increased to 51%.

If Frederick PEC completes an initial offering of its securities to raise funds to cover its activities, it shall offer at least half of such securities to the shareholders of AFR in proportion to their shareholdings in AFR with or without a back stop or standby purchaser agreement. Such right is limited to the first offering of securities by Frederick.

John O'Donnell is an officer and/or director of Peloton, Frederick PEC, and the Company and, as such, recused himself from the approval process of the transactions.

<u>TRENDS, RISKS AND UNCERTAINTIES</u>

The Company, prior to December 6, 2018, operated in the DRC, an emerging market, and currently operates in the U.S.A, giving rise to risks from changes in foreign exchange rates. The Company was exposed to fluctuations in world metals prices, over which it has no control.

The Company is not at risk as to its ability to meet its financial obligations on its administrative expenses as it has sufficient cash to meet its obligations for at least the next 12 months.

INVESTOR RELATIONS

There are no investor relations agreements in effect currently.

APPROVAL

The Board of Directors of the Company has approved this Management Discussion and Analysis. Further information is available on the SEDAR website, www.sedar.com.

DATED: June 30, 2020

ON BEHALF OF THE BOARD OF DIRECTORS OF AFRICAN METALS CORPORATION

"Simeon Tshisangama"

Simeon Tshisangama
President and CEO, Director