

Apex Resources Inc.
Management Discussion and Analysis
For the Year Ended December 31, 2018

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1.1 Date

The effective date of this Management's Discussion and Analysis ("MD&A") is April 24, 2019.

1.2 Overview

This Management's MD&A contains certain "Forward-Looking Statements." All statements, other than statements of historical fact included herein, including without limitation, statements regarding potential mineralization and resources, research and development activities, and future plans of the Company are forward-looking statements that involve various risks and uncertainties including changes in future prices of gold and other metals; variations in ore reserves, grades or recovery rates, accidents, labour disputes and other risks associated with mining; delays in obtaining governmental approvals or financing or in the completion of development or construction activities, technological obsolescence, and other factors. The Company expressly disclaims any obligation to revise or update forward-looking statements and any liability in the event actual results differ from those currently anticipated.

This Annual MD&A supplements, but does not form part of, the financial statements of the Company, and should be read in conjunction with the audited financial statements of Apex Resources Inc. for the years ended December 31, 2018 and 2017. All dollar figures stated herein are expressed in Canadian dollars, unless otherwise specified.

Apex Resources Inc. ("Apex" or the "Company") is a mineral exploration company. The Company has a portfolio of mineral exploration projects and the following is a brief summary of its current activities.

- Apex's loss for the year ended December 31, 2018 was \$385,100 or \$0.03 per share compared to a loss of \$71,394 or \$0.01 per share for the year ended December 31, 2017.
- During 2018, operations utilized cash of \$447,173 compared to \$416,175 in 2017.
- Expenditures on mineral property interests totaled \$172,158 in 2018 compared to \$203,053 in 2017. Mineral property option proceeds received totaled \$745,000 in 2017 compared to \$700,000 in 2018. Total expenditures incurred on the Company's mineral properties in 2018, with the 2017 numbers in brackets are: Kena - \$nil (\$nil), Jersey and Emerald properties - \$581 (\$nil), Golden Triangle Property - \$1,884 (\$94,508), the Red Ridge Property - \$10,164 (\$76,249) and the Mount Anderson Property - \$159,529 (\$32,296). There were mineral property write-downs of \$nil (\$nil).

1.2.1 Jersey – Emerald Property, British Columbia

The 14,000 hectare Jersey Emerald Property is the largest mineral property in the famous Kootenay Arc silver-lead-zinc-tungsten belt. Located near the town of Salmo, British Columbia, the property is host to 5 historic mines including BC's second largest zinc mine (the Jersey Mine) and Canada's second largest tungsten mine (the Emerald Tungsten Mine). The property has a current measured and indicated NI43-101 tungsten resource of 3.07 million tonnes averaging 0.341% WO₃ and an additional inferred resource of 5.48 million tonnes averaging 0.273% WO₃ using a 0.15% cutoff. The property includes the Victory Tungsten Deposit which has a historical resource of 84,000 tons of 0.54% WO₃.

The historic Jersey Mine was British Columbia's second largest lead-zinc mine. A Resource Estimate completed in 2010 (please see March 1, 2010 News Release) shows an indicated resource of 5,320,000 tons averaging 1.04% lead and 2.60% zinc and an inferred resource of 16,930,000 tons averaging 1.00% lead and 2.18% zinc using a cut-off grade of 1.5% combined lead-zinc. Within this large low-grade resource there is higher grade mineralization with an indicated resource of 1,900,000 tons averaging 1.96% lead and 4.10% zinc using a cut-off grade of 3.5% combined lead-zinc. There is an additional inferred resource of 4,980,000 tons averaging 1.95% lead and 3.37% zinc at the same 3.5% combined cut-

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off grade. The property has excellent infrastructure including \$150 million in underground development, road access, power, water and a nearby skilled workforce. The Trail lead-zinc smelter is located 40 highway kilometres from the property.

During 2013, the Company entered into an option to purchase agreement (most recently amended February 13, 2018 with Margaux Resources Ltd. (“Margaux”) to sell its 100% interest in the Jersey and Emerald Properties to Margaux for total proceeds of \$4,020,000 over the next seven years. On September 27, 2018, Margaux elected to terminate the Option Agreement on the Jersey Emerald property. At the time of termination, Margaux had made payments of \$1,990,000 in Option Payments and incurred exploration expenses on the Jersey Emerald Property in excess of \$2,000,000 during the term of the Agreement.

The Company is currently seeking new Joint Venture partners to further the development of the Jersey Emerald Property.

1.2.2 Ore Hill Properties, British Columbia

The Ore Hill Properties which cover the historically known Ore Hill, Summit and Bonanza occurrences are located 5 km east of the Jersey Mine, situated at the south end of the 10 km long Sheep Creek Gold District. The Sheep Creek Gold District, with historical gold production of almost 800,000 ounces at an average gold grade of 14.4 g/t, is an orogenic gold district similar to the Barkerville Gold Camp.

The Ore Hill properties overlie several polymetallic gold bearing quartz veins that were initially staked in 1901. The veins have been explored with nine adits with over 1,200 metres of underground development. Between 1906 and 1940, a total of 3,335 tonnes of ore were mined and 115,671 grams of gold, 202,307 grams of silver, 93,985 kilograms of lead and 88,639 kilograms of zinc were recovered (BC Minfile 82FSW054 & 082FSW053).

Veins in the Sheep Creek Gold District are high-grade, steeply dipping, sub-parallel, low-sulfide quartz veins. Individual veins averaged approximately 1 m in width and were mined over strike lengths of up to 550 m and up to 500 m depths. Vein widths tended to increase with depth while gold grades decreased with depth.

There are two known styles of mineralization on the Ore Hill property; narrow high-grade gold (plus silver, lead and zinc) bearing veins occur within limestone; and a wider gold-bearing crackle zone, up to 10 m wide, associated with a north-northeast-trending fault zone. A gold soil anomaly, 1,500 m long by up to 150 m wide follows this north-northeast structure.

The Ore Hill Properties were acquired by Margaux Resources in 2017 but reverted to Apex Resources as part of an Area of Interest Inclusion when Margaux terminated the Option Agreement on the Jersey Emerald Property in October of 2018. In order to complete the acquisition of the Ore Hill property Apex must complete remaining outstanding option payments to the original property vendors comprised of \$55,000 and 100,000 shares over three years. The property is subject to a 2% net smelter returns royalty (“NSR”). Apex may at any time purchase the NSR for \$250,000.

In 2017 and 2018 mapping and sampling programs carried out on the Ore Hill property by Margaux Resources Ltd demonstrated potential for widespread mineralization. Assay results showed a number of high grade gold samples with associated high silver, lead and zinc values. The high grade samples were collected over a strike length of almost 1 km demonstrating a mineralizing system with potential for significant size and strength.

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Apex geologists have recommended a two-phase work program for 2019 that will focus on the recently identified shear hosted mineralization and the associated geophysical targets. Phase One will involve detailed geological mapping and sampling to locate the historic workings and confirm the assays reported in 2017-18. Soil sampling and a magnetometer geophysical survey will be carried out over the Heliogeotem targets to help define targets for phase two. Phase Two will involve mechanized trenching, and 1,000 metres of diamond drilling at five drill sites. All planned exploration work will be subject to financing.

1.2.3 Kena Gold-Copper Property, British Columbia

Apex's 8,173 hectare Kena Gold-Copper Project located near the community of Ymir in southeastern British Columbia encompasses two areas of porphyry-style gold mineralization, the Gold Mountain and Kena Gold Zones, situated within an 8.0 kilometre long gold geochemical anomaly. Apex tested the two zones with 12,000 metres of diamond drilling in 80 drill holes and a preliminary NI 43-101 resource estimate was prepared by Giroux Consultants Ltd. in June 2004. The report shows a measured and indicated resource of 11,820,000 tonnes containing 381,000 ounces of gold at an average grade of 1.0 g/t using a 0.5 g/t cut-off grade for gold. There is additional inferred resource of 12,150,000 tonnes containing 389,000 ounces of gold at the same cut-off grade (June 7, 2004, News Release). The report suggests that the resource can be expanded with additional diamond drilling.

In April 2013, an updated NI43-101 resource estimate for the Kena property was prepared by Gary Giroux, P.Eng, MASc. and Perry Grunenberg, P.Geo. The updated resource estimate shows a measured plus indicated resource of 25.28 million tonnes containing 490,000 ounces gold averaging 0.60 g/t gold and an additional inferred resource of 90.44 million tonnes containing 1,399,000 ounces gold averaging 0.48 g/t gold, using a 0.30 g/t gold cutoff. The mineralization remains open along strike and at depth. (Apr 11, 2013 News Release).

During September 2016, the Company entered into an agreement with 1994854 Alberta Ltd. to option out 80% interest in Kena Property owned by Apex. The Kena Option Out agreement (the "Option Out") was approved by the TSXV on October 3, 2016 (the "Effective Date"). In April 2017, 1994854 Alberta Ltd. merged with Prize Mining Corporation ("Prize"), a publicly-traded company listed on the TSX-V and all references are now made to Prize as the optionee. A gain was recorded in financial statements for the year ended December 31, 2018 from Option Out proceeds as summarized below.

Kena accumulated acquisition, exploration and evaluation costs as of December 31, 2014	\$	2,789,077
Less: impairment recorded in fiscal 2015		(2,748,819)
Book value of Kena prior to Option Out		40,258
Less: 80% book value Option Out		(32,207)
Book value of Kena, December 31, 2016	\$	8,051
Cash proceeds received on Option Out	\$	250,000
Value of shares received on Option Out		108,750
Gain in fiscal 2017 on Kena Option Out	\$	358,750
Cash proceeds received on Option Out	\$	250,000
Value of shares received on Option Out		60,000
Gain in fiscal 2018 on Kena Option Out	\$	310,000

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Under the terms of the Option Out agreement, to exercise the option and earn its 80% interest in the project, Prize will:

- make the following cash payments to the Company:
 - (A) within 5 business days from the Effective Date, \$500,000 (received);
 - (B) within twelve months from the Effective Date, an additional \$250,000 (received);
 - (C) within twenty-four months from the Effective Date, an additional \$250,000 (received); and
 - (D) within thirty-six months from the Effective Date, an additional \$250,000;

for total cash option payments of \$1,250,000; and

- issue common shares of Prize to the Company as follows:
 - (A) within 5 business days from the Effective Date, 375,000 shares (received);
 - (B) within twelve months from the Effective Date, an additional 375,000 shares (received);
 - (C) within twenty-four months from the Effective Date, an additional 375,000 shares (received); and
 - (D) within thirty-six months from the Effective Date, an additional 375,000 shares;

for a total of 1,500,000 shares;

- incur exploration expense as follows:
 - (A) within twelve months from the Effective Date, \$100,000 (completed);
 - (B) within twenty-four months from the Effective Date, an additional \$400,000 (completed);
 - (C) within thirty-six months from the Effective Date, an additional \$1,000,000; and
 - (D) within forty-eight months from the Effective Date, an additional \$1,500,000;

for total exploration expenditures of \$3,000,000.

After Prize has earned its 80% interest in the project, Prize has a second option to earn and acquire up to an additional 20% undivided interest in the project by making a \$2 million cash payment to Apex and granting a 1% net smelter returns royalty to the Company.

In 2017 following a program of compilation and verification of historical data, Prize focused exploration activities on the Daylight area. A Phase-I field program entailed a 1,592 sample soil and rock geochemical program, high-resolution ground based magnetic & VLF-EM geophysical surveys, detailed prospecting, geological mapping and structural analysis. The Phase 1 program successfully generated 11 highly prospective target areas.

The Phase 1 targets were followed up with a Phase 2 program of target definition that included 1,500 metres of trenching.

In October 2017 Prize undertook a Phase 3 drilling program that entailed testing 11 targets with 2,695 metres of diamond drilling in 18 holes. The drill program successfully demonstrated the presence of two styles of mineralization: broad zones of low grade gold mineralization and narrow but high grade gold veins. Examples of high grade targets included: 63.7 g/t gold over 0.9 metres in Hole 5, 20.9 g/t gold over 0.5 metres in Hole 5, 11.6 g/t gold over 0.79 metres in Hole 5 and 21.2 g/t gold over 0.48 metre in Hole 7.

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Low Grade mineralization included: 1.16 g/t gold over 32.6 metres in Hole 5 and 1.09 g/t gold over 71.22 metres in Hole 7.

In October 2017 Prize contracted Masse Environmental Consultants Ltd. of Nelson, BC to initiate a baseline environmental water quality sampling program in anticipation of bulk sampling activities planned for the Daylight and Kena properties in subsequent years. Between 2017 and 2018, Prize carried out extensive surface sampling, geophysical surveys on the Kena Property. It also carried out 3 diamond drilling campaigns, one on Daylight consisting of 18 holes for a total of 2,695 meters and two on Toughnut for a total of 31 holes for 5,559 meters.

Prize is currently conducting a Strategic Review and considering options for the future of the Kena project that will allow Prize to focus on metals used in sustainable energy sources.

1.2.4 Golden Triangle Property, British Columbia

Apex's Golden Triangle Properties, located north of Stewart, BC, include the eastern Eldorado Property, the central Cloud Property and the western Wild Property. The Eldorado Property consists of two mineral tenures totaling 1617.5 hectares, the Cloud Property consists of five mineral tenures totaling 3,630 hectares and the Wild Property consists of 7 mineral tenures totaling 4886.85 hectares. British Columbia's Golden Triangle is host to several high-grade past-producing mines including the Premier, Eskay Creek and Snip deposits. Pretium Resources Inc.'s Brucejack Deposit within their Valley of the Kings property commenced production in May 2017. Several other large new deposits are approaching potential development including Seabridge Gold Inc.'s KSM Project.

On August 23, 2016, the Company entered into an agreement to option to purchase a 100% interest in the Eldorado, Cloud and Wild Properties (jointly known as the "Project"). Under the terms of the agreement, to exercise the Option and earn its 100% interest in the Project, the Company will:

	CASH PAYMENTS	SHARES	WORK COMMITMENT
Upon Signing (paid)	\$5,000	-	-
Upon Regulatory Approval (paid and issued)	\$35,000	300,000	-
TOTAL	\$40,000	300,000	\$Nil

The Company shall make the following net smelter return payment:

- (A) during the royalty period, the Company shall pay 2.0% NSR royalty

Apex may within 240 days of commercial production redeem and purchase the interest and rights to receive the NSR royalty for a one-time payment of \$1 million dollar for 1%, leaving 1% of the NSR royalty.

In March and April 2017, Apex carried out a helicopter-borne electromagnetic and magnetic geophysical survey of its Cloud and Eldorado Properties. The survey was carried out by Geotech Ltd. of Aurora, Ontario. The survey targeted strong high level magnetic anomalies shown by Government magnetic surveys to be located on the two properties. Results of the survey successfully outlined the targeted magnetic features and on the Cloud Property show a number of large low magnetic areas both within and adjacent to the targeted magnetic high anomaly. These large magnetic low areas will require ground follow-up as they may represent areas of alteration that accompanied the emplacement of porphyry style mineralization.

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From August 31 to September 6, 2017 a prospecting, geochemical sampling and outcrop mapping program was carried out over the Wild Property. The survey was carried out by consulting geologist Perry Grunenberg, P.Geol. of Kamloops, BC. The program discovered several narrow quartz veins and float boulders with elevated gold concentrations. The highest gold value was 0.32 g/t and correlated with high silver and lead values up to 67.5 g/t Ag and 1.4% Pb. The geochemical signature of the samples suggests the property may have potential for intrusion related gold mineralization. Apex's consulting geologist has recommended an airborne survey to help direct future exploration programs.

There are currently no exploration plans for the Company's Golden Triangle properties in 2019.

1.2.5 Red Ridge Property, Yukon Territories

The originally optioned Red Ridge Property, near Carcross, Yukon, consisted of 30 quartz claim units covering 530 hectares. The Property was expanded by staking additional claims in 2017, and now totals 72 claims covering approximately 1360 hectares. The Property contains a prominent gossanous ridge (Western Zone) and an area measuring 2.0 km in length and 500 metres in width where numerous mineralized showings have been discovered. Historic reports (Yukon Assessment Reports 094931 and 092736) state:

1. **The East Zone** consists of three subparallel altered zones. Within one zone a 10 - 40 centimetre wide quartz/barite vein containing massive tetrahedrite, azurite, and malachite assayed up to 25,191 g/t silver. Grab samples containing galena, assayed 5,598 g/t silver, 0.53 g/t gold, and 57.5 % lead.
2. **The Don Zone** consists of a one metre wide zone of sheared and altered granodiorite. Sampling returned 10.8 g/t gold and 1,519 g/t silver across 0.5 metres.
3. **The Saddle Zone** consists of several small outcrops and boulders of silicified granodiorite and quartz-galena found over a 20 x 50 metre area. Two grab samples from this zone assayed 11.35 g/t gold and 300.1 g/t silver, and 34.8 g/t gold and 342.1 g/t silver. Trenching and exploratory drilling show that the Saddle Zone consists of limonite-manganese-clay gouge within a 30 metre wide zone of alteration and shearing. The sulfide bearing quartz veins are surrounded by a quartz stockwork zone up to 1.5 metres in width. The quartz veins returned an average of 6.1 g/t gold and 423 g/t silver over 0.5 metres. Drilling of this zone returned assay values up to 28.9 g/t gold and 31.51 g/t silver over 0.4 metres. Precious metal values are not limited to samples with sulphides indicating the presence of free gold or electrum.
4. **The Miller Zone** consists of a 2 - 3 metre wide zone of shearing and alteration that contains galena/quartz pods throughout. In addition, 10 - 30 centimetre wide quartz veins containing galena and pyrite occur in both the footwall and hanging wall of the zone. Grab samples of quartz-galena assayed up to 883.24 g/t silver with negligible gold. The Miller Zone was intersected by 8 diamond drill holes with the best intersection being 3.11 g/t gold and 309.1 g/t silver over 0.76 metres.

On September 9, 2016, the Company entered into an option agreement (most recently amended September 13, 2018 with property vendors B. Scott and C. Bratvold), which gives Apex the right to earn a 100% undivided interest in the Red Ridge Property, Whitehorse Mining District, Yukon. Regulatory approval was received on September 14, 2016. Under the terms of the agreement, to exercise the option and earn its 100% interest, the Company will make payments of \$150,000 and issue 500,000 shares over five years as set out below:

	CASH	SHARES	WORK
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	PAYMENTS		COMMITMENT
Upon Signing (paid)	\$5,000	-	-
Upon Regulatory Approval (paid and issued)	\$5,000	50,000	-
At end of 12 months (paid and issued) (09/14/2017)	\$20,000	50,000	\$30,000 (completed)
At end of 24 months (deferred) amended Sept 13, 2018			(one year deferment granted)
At end of 36 months (09/14/2019)	\$30,000	100,000	\$75,000
At end of 48 months (09/14/2020)	\$40,000	100,000	\$125,000
At end of 60 months (09/14/2021)	\$50,000	200,000	\$200,000
TOTAL	\$150,000	500,000	\$430,000

In addition, the Company shall make the following net smelter return (NSR) royalty payment:

The Company shall pay 2.0% NSR royalty from the production of gold, silver and other metals provided that the Company shall have the right to purchase 50% of the net smelter return of \$1,000,000 exercisable within 90 days after commencement of commercial production.

The Company conducted an initial exploration program on its Red Ridge Property in 2016. A total of 13 rock grab and chip samples were collected from a series of historic trenches in the Miller, East, Don, and Saddle Zones. Where possible, chip samples were collected across structural or mineralized trends. Highlights of the rock sampling program include 16,271 g/t silver and 5.24% copper from a grab sample in the East Zone and 23.4 g/t gold from a 20 cm chip sample in the Saddle Zone. Please see news release of October 12, 2016 for full results.

This initial 2016 exploration program at Red Ridge achieved its goal of confirming the presence of high grade gold and silver, along with base metal values as reported in historic records from the East, Don, Saddle and Miller showings.

In August 2017 the Red Ridge property was explored by a rock chip and soil geochemical sampling program completed by Aurora Geosciences Ltd. of Whitehorse, YT. The program successfully confirmed and expanded a number of the historic gold and silver showings.

The geochemical soil grid on the Red Ridge property now tests an area measuring 4.1 kilometres in length by 1.5 kilometres in width with a total of 1,525 soil samples. The soil results show a number of anomalous zones of elevated gold and silver values of 25 to 2,370 ppb gold and 1.0 to 36.0 ppm silver within the 6.0 square km soil grid. The largest and strongest areas of gold and silver soil enrichment are centred on the Saddle Zone and the Western Zone showings. The Saddle Zone anomaly is a 1.5 kilometres long north-south trending zone centred on the Saddle showing but also encompassing the Don and Vance Zones. This soil anomaly is up to 300 metres wide and extends to the north and south edges of the soil grid. The Western Zone soil anomaly is an irregular area of copper, molybdenum, gold and silver enrichment that exceeds 1.5 kilometres in diameter. This anomaly is centred on the Western Zone showing but extends east to encompass the Miller Zone.

Results of the rock chip sampling program confirmed the historical showings with assays to 22.3 g/t gold and 2,190 g/t silver and suggest there to be mineral zoning across the 4.1 kilometre long sample grid. The preliminary rock sample results show higher gold values in the Saddle, Vance and Don zones, while silver values are highest in the East and Vance zones and copper values are higher in the Western Zone.

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Soil sample results suggest that the showings may be surrounded by extensive zones of gold and silver mineralization that was not previously recognized. In order to secure these extensions Apex expanded the property with the staking of an additional 1,100 hectares of mineral claims, nearly tripling the size of the original claim block to a total of 1,630 hectares.

The 2017 results, combined with historic rock and soil values, suggest the Saddle Zone is structurally controlled and is the largest gold and silver anomaly, rendering this a prime target for further exploration. Two kilometres west of the Saddle Zone soil geochemistry outlined a 1.5 km wide copper, molybdenum, gold and silver anomaly over a Prospector Mountain Suite intrusion. Aurora Geoscience notes that the giant, 964 million tonne, Casino porphyry deposit located 300 km to the north occurs in a similar geologic setting indicating that Red Ridge is prospective for similar mineralization.

On September 13, 2018, property vendors granted the Company a one year deferment on current and subsequent option cash and share payments as well as exploration expenditures. (Please see above table). The Company has encountered permitting issues on the property related to recreational use of the lands in the surrounding areas. Resolution of this issue will continue through 2019, the Company is applying to various agencies to resolve the issues as well as building stronger community ties in the hope of securing a favourable solution for all parties involved. No further exploration work is planned on the Red Ridge property until permitting and accessing issues are resolved.

1.2.6 Mount Anderson Property, Whitehorse Mining District, Yukon Properties

The Mount Anderson Property, located 55 kilometres south of Whitehorse, Yukon, is road accessible year round and consists of 163 quartz claims covering approximately 31 square kilometres. The claims lie along the Wheaton River Valley and are contiguous with New Pacific Metals Corp.'s Mount Skukum Property. In 1981, Agip Canada discovered a gold ore body at Mount Skukum, which subsequently produced 80,000 ounces of gold from 220,000 tons of ore between 1986 and 1988. Currently, New Pacific Metals Corp. has an indicated resource of 1,416,500 tonnes grading 8.59 g/t gold equivalent in the Skukum Creek and Goddell Gully deposits (New Pacific Metals website).

Sporadic exploration has been conducted on the previously fragmented Mount Anderson property dating back as far as 1906. Of significance, in 1947 United Keno Hill shipped a test sample to Trail from the property which returned 34.3 g/t Au, 432 g/t Ag, 11.6% Pb, 5.2% Zn. In 2011, previous property operator Gold World Resources Inc. collected composite samples from a portion of the original bulk sample remaining on site and confirmed the historic values with results of 30.5 g/t Au, 532 g/t Ag, 9.1% Pb, 6.5% Zn and 0.5% Cu. Sampling of the nearby trenches from which the sample was collected returned 29.0 g/t Au, 417.2 g/t Ag, 20% Pb and 6% Zn (Technical Report for Gold World Resources Inc. by H. Lahti, 2012).

Gold World also completed an MMI soil survey consisting of some 4,600 samples, covering approximately 60% of the claim block. Several strong soil anomalies were identified which require follow up ground prospecting, mapping, trenching and/or drilling. In 2012, Gold World was unable to maintain the option on the Mount Anderson Property and it reverted to the vendors.

On February 24, 2017, Apex entered into an option agreement which gives Apex the right to earn a 100% undivided interest in the Mount Anderson Property. Pursuant to the option agreement, Apex Minerals Ltd. can exercise the option by paying an aggregate of \$300,000 to the Optionors, issuing an aggregate of 1,000,000 common shares in the capital of the Company, and incurring an aggregate of \$385,000 of exploration expenditures as follows:

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Upon Signing (paid)	\$10,000	-	-
Upon Regulatory Approval (paid and issued)	\$10,000	100,000	-
At end of 12 months (paid and issued)	\$20,000	200,000	\$35,000 (completed)
At end of 18 months (paid)	\$20,000	-	-
At end of 24 months	\$40,000	300,000	\$100,000
At end of 30 months	\$40,000	-	-
At end of 36 months	\$80,000	400,000	\$250,000
At end of 42 months	\$80,000	-	-
TOTAL	\$300,000	1,000,000	\$385,000

The Optionors are entitled to receive a 2% NSR, half of which can be purchased within 90 days after Commencement of Commercial Production by the Company for \$1,000,000. The Optionors also retain a 5% gross over-riding royalty on any high-grade bulk samples processed prior to Commercial Production.

In August 2017 consulting geologist Perry Grunenbergh of Kamloops, BC was contracted to review all historic work on the property and to compile composite maps of historical geochemical and rock sample results from the property. In September 2017 a geological mapping and rock sampling program was carried out by Aurora Geosciences Ltd. of Whitehorse, YT. The program investigated, confirmed and expanded a number of historic gold and silver showings on the property. The following table shows the highlights of this rock sampling program:

Showing Location	Sample #	Gold g/t	Silver g/t	Lead %	Zinc %	Copper %
491575E 6674081N	611528	1.2	138.0	3.06	2.15	0.32
491445E 6674290N	611530	0.2	106.0	0.37	0.12	
491423E 6674290N	611531	0.04	25.4	1.04		
491322 E 6674286N	611801	0.04	44.1	0.88		
492018 E 6674123N	611803	0.7	50.9	0.04		
492020 E 6674036N	611851	1.6	1,102.0	10.54	0.95	0.97
492057 E 6674024N	611852	4.1	795.0	4.92	0.26	1.26
492065 E 6674026N	611853	2.4	1,948.0	14.27	0.39	1.64
491732 E 6674107N	611854	1.8	4.1	0.13		
491743 E 6674081N	611856	0.2	128.0	0.02		
491755E 6674054N	611857	1.8	11.6	0.01		
491823E 6674083N	611860	11.2	45.8	1.10	0.48	

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491927E 6674043N	611862	26.0	724.0	16.39	0.31	1.04
491927E 6674066N	611864	5.3	1,803.0	14.27	0.32	10.99
491605E 6674046N	611896	1.0	15.9	0.10		
491597E 6674039N	611897	6.4	31.0	0.20	0.48	
491594E 6674042N	611898	1.7	173.0	3.63	2.82	0.22
491589E 6674017N	611899	1.1	107.0	6.20	0.81	
491525E 6674081N	611900	1.1	24.8	0.46	0.14	
491570E 6674080N	950457	22.5	925.0	>10.0	15.92	0.73
491595E 6674090N	950458	67.5	2,058.0	>10.0	9.44	9.84
491335E 6674270N	950459	1.4	100.0	0.1	2.92	

The soil geochemical maps compiled by Grunenberg showed gold, silver and lead soil anomalies to extend well beyond the known showings. The results show that less than 20% of the principal gold-silver soil anomaly has been tested by the 2017 exploration program.

The 2018 exploration program on the Mount Anderson property involved geological mapping and geochemical sampling and a 12.425 line-km Induced Polarization (IP) chargeability and resistivity survey. The IP survey covered the central property area from the Ridge Zone to directly east of the Adanac Zone. The survey revealed an apparent chargeability high feature and associated resistivity “low” signature coincident with diorite dykes just south of the weakly auriferous breccia sample, indicating IP surveying may be utilized to map structural features. The area between the two auriferous samples and the adits also has a chargeability high signature, indicating potential for disseminated sulphides near quartz veins. Resistivity surveying revealed a “low” signature that correlates strongly with the trace of the 47-Adanac Zone, the most prospective target on the property. This includes the site of the sample returning 8.996 g/t Au, with a pronounced resistivity low signature of limited aerial extent east of the Adanac Zone. The 47-Adanac Trend therefore may extend farther to the east from known workings. Chargeability surveying also outlined the northern contact of the Mount Anderson intrusion.

A two-phase exploration program is recommended for 2019. The first phase will comprise detailed geological mapping and rock geochemical sampling of IP targets in the areas of the 47-Adanac Trend, the Breccia Zone area, and the area between the auriferous samples and the historic adits. The second phase will comprise a diamond drilling program of 1,200 metres in 9 holes dependent upon the results from Phase 1. A Class 3 exploration permit is now in place for these activities. Proposed expenditures for Phase 1, including 10% contingency, are estimated at CDN\$29,600. Phase 2 proposed expenditures, including 10% contingency, are estimated at CDN\$549,600.

1.3 Selected Annual Information

The financial statements have been prepared 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 Interpretations Committee (“IFRIC”) and are

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expressed in Canadian dollars.

	As at December 31, 2018	As at December 31, 2017	As at December 31, 2016
Current assets	\$ 450,120	\$ 614,767	\$ 309,273
Mineral property interests	2,701,315	2,869,157	3,098,990
Other assets	32,370	32,370	47,370
Total assets	3,183,805	3,516,294	3,455,633
Current liabilities	91,754	59,143	58,588
Long-term debt	--	--	--
Shareholders' equity	3,092,051	3,457,151	3,397,045
Total shareholders' equity and liabilities	3,183,805	3,516,294	3,455,633
Working capital (current assets less current liabilities)	358,366	555,624	250,685
	Year ended December 31, 2018	Year ended December 31, 2017	Year ended December 31, 2016
Expenses			
Advertising and promotion	\$ 5,503	\$ 1,158	\$ 505
Exploration costs	3,288	--	4,378
Insurance	3,800	3,400	3,125
Legal, accounting and audit	47,828	51,987	50,167
Office and administration	41,698	36,291	60,395
Salaries and benefits	181,201	181,171	181,835
Shareholder communications	161,798	142,651	93,470
Share based payments	--	115,000	--
Interest	1,306	578	655
Travel and conferences	751	180	2,168
	447,173	532,416	396,698
Gains on sale of mineral property options	310,000	358,750	467,974
Interest and other income	(3,448)	(1,190)	(1,502)
Unrealized loss on short term investments	(251,375)	(101,082)	(12,000)
Net Income (loss) for the year	\$(385,100)	\$(71,394)	\$84,598
Income (Loss) per share – basic and diluted	\$ (0.03)	\$ (0.01)	\$ 0.01
Weighted average number of common shares outstanding – basic and diluted	14,142,146	13,924,200	13,585,707
Number of common shares issued and outstanding, end of year	14,177,214	13,977,214	13,827,214

Apex's loss for 2018 was \$385,100 or \$0.03 per share compared to a loss of \$71,394 or \$0.01 per share for 2017.

Revenue

Apex has no source of revenue. Interest earned on excess cash is incidental income. Interest income increased from \$1,190 in 2017 to \$3,448 in 2018.

Expenses

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Legal, accounting and audit decreased slightly from \$51,987 in 2017 compared to \$47,828 in 2018. Audit fees are accrued throughout the year. Legal fees are ongoing and will vary depending on the activity during the period.

Exploration costs were \$3,288 in 2018 and \$nil in 2017. Management has decided to expense exploration costs from the Jersey Emerald Property since the property has been sold to Margaux Resources and the property has been written down to its recoverable amount in 2013.

Office and administration costs increased from \$36,291 in 2017 to \$41,698. The office and administration costs include rent, shared office services and other costs related to administration of a public company. Directors' fees of \$1,500 per month, or \$4,500 per quarter in 2018 were paid or accrued to the three outside directors.

Salaries and benefits remain relatively unchanged with \$181,201 in 2018 compared to \$181,171 in 2017.

Shareholder communications costs increased from \$142,651 in 2017 to \$161,798. The Company utilized the services of Horng Kher (Marc) Lee - \$120,000 (2017 - \$104,000). The Company also enlisted the services of IBK Capital for 6 months in 2018 for \$25,000. Other shareholder activities consist of web site maintenance and development, transfer agent fees, regulatory and filing fees and all costs associated with timely disclosure of information.

Travel and conference expenses increased from \$180 in 2017 to \$751 in 2018.

Gains on sales of mineral property options were \$310,000 in 2018 compared to \$358,750 in 2017. There were no property investigation costs in both 2017 and 2018. Apex is presented with property submittals continually, and certain submissions are reviewed for possible acquisition. The costs related to submittals are capitalized if the property is acquired, or expensed if the property is not acquired.

1.4 Summary of Quarterly Results

The table below provides, for each of the most recent eight quarters, a summary of acquisition and exploration costs on a project-by-project basis and of corporate expenses, net of interest income, mineral property write-downs and exploration costs.

	Kena property BC	Jersey Emerald, BC	Golden Triangle, BC	Red Ridge, Yukon	Mt. Anderson, Yukon	General and administrative expenses (Note 1)	Loss (gain) per quarter	Loss (gain) per share
2017								
Q1	--	(45,000)	62,557	2,825	33,200	214,637	215,440	\$0.02
Q2	122	(150,000)	16,854	2,665	1,705	95,152	(159,273)	(\$0.01)
Q3	--	(150,000)	16,021	58,842	26,527	97,420	239,551	\$0.02
Q4	--	(150,000)	3,490	36,417	4,064	125,207	(224,324)	(\$0.02)
2018								
Q1	--	(150,000)	560	--	61,310	102,975	140,757	\$0.01
Q2	--	(150,000)	--	3,697	7,690	133,309	187,995	\$0.01
Q3	--	(150,000)	662	5,867	142,843	91,486	(144,769)	(\$0.01)
Q4	--	50,581	662	600	7,686	116,115	201,117	\$0.01

Note 1: General and administrative expenses do not include the write-down of mineral property interests, investments, exploration costs, interest and other miscellaneous income or income tax recovery, but includes stock-based compensation.

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1.5 Liquidity

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements to sophisticated investors and institutions. The Company has issued common shares in each of the past few years, pursuant to private placement financings and the exercise of warrants and options.

At December 31, 2018, Apex's working capital, defined as current assets less current liabilities, was \$358,366 - (December 31, 2017 - \$555,624). The Company's cash in excess of current expenditures is held in Guaranteed Investment Certificates.

Investing Activities

Acquisitions and Exploration Programs

The following provides the details of the property agreements and the exploration expenditures related to its mineral property interests during the period.

At December 31, 2018, Apex had capitalized \$2,701,315 representing costs associated with the acquisition and exploration of its mineral property interests in British Columbia.

1.6 Capital Resources

The Company will require continued external funding to meet future obligations and to finance further exploration and development work on its mineral properties. The Company currently has funds available to continue operating, but as the Company does not have a source of revenue, there is doubt as to the Company's ability to continue as a going concern. Although the Company has been successful in raising funds to date, there can be no assurance that additional funding will be available in the future. The balance sheets of the Company at December 31, 2018 and 2017 do not reflect the adjustments to the carrying values of assets and liabilities that would be necessary if the Company were unable to obtain adequate financing.

Management of capital

The Company's objective in managing capital is to maintain adequate levels of funding to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral property interests in British Columbia and to maintain a flexible capital structure, which will optimize the costs of capital. The Company endeavours to manage its capital structure in a manner that provides sufficient funding for operational activities through funds primarily secured through equity capital obtained in private placements. There can be no assurance that the Company will be able to continue raising capital in this manner.

Although the Company has been successful at raising funds in the past through the issuance of shares, it is uncertain whether it will be able to continue this form of financing due to the current difficult conditions. The Company makes adjustments to its management of capital in the light of changes in economic conditions and the risk characteristics of its assets, seeking to limit shareholder dilution and optimize its costs of capital while maintaining an acceptable level of risk. The Company currently has sufficient funds for operations but must rely on equity financings, or joint venturing or other types of financing to continue exploration and development work and to meet its administrative costs in future years.

The Company's investment policy is to invest its cash in highly liquid short-term interest-bearing investments with maturities allowing the Company to withdraw funds at intervals needed for the expected timing of expenditures in its operations.

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1.7 Off-Balance Sheet Arrangements

None.

1.8 Transactions with Related Parties

Services rendered:	Years Ended December 31,	
	2018	2017
Directors' fees	18,000	16,500
Salaries (a)	180,000	180,000
Shareholders communications (a)	120,000	104,000
Geological Expenses	--	8,945
Share-based payments	--	115,000
Total	\$ 318,000	\$ 424,445
Balances payable to (b)	December 31, 2018	December 31, 2017
Directors' fees	4,500	1,500
Short term employee benefits (a)	15,000	--
Shareholder communications (a)	10,000	--
General Office and Administrative expense	1,319	1,305
	\$ 30,819	\$ 2,805

(a) Key management personnel compensation (Arthur Troup (salaries or short term employee benefits), Horng Kher (Marc) Lee (shareholder communications))

(b) Balances payable to related parties are included in accounts payable to related parties, respectively on the statement of financial position. These amounts are non-interest bearing and are due on demand.

1.9 Proposed Transactions

There is no proposed asset or business acquisition or disposition before the board of directors for consideration, other than those in the ordinary course of business or as described in items 1.6 or 1.7 above.

1.10 Fourth Quarter

Three months ended December 31, 2018 ("Q4 2018") compared to three months ended December 31, 2017 ("Q4 2017")

	Three months ended	
	2018	2017
Expenses		
Exploration Costs	\$ --	\$ --
Insurance	950	950
Legal, accounting and audit	22,209	30,631
Office and administration	15,120	18,163
Salaries and benefits	45,000	45,000

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Shareholder communications	32,263	30,289
Travel	57	51
Interest	516	123
Total expenses	(116,115)	(125,207)
Interest income	873	291
Unrealized gain (loss) on investments	(85,875)	(10,667)
Write down of mineral property interests	--	--
Gain on sale of mineral property options	--	359,907
Income (Loss) for the period	(201,117)	224,324
Income (Loss) per share, basic and diluted	\$ (0.01)	\$ 0.02
Weighted average number of common shares outstanding during the period	14,177,214	13,924,200

Income and Expenses

Interest income of \$873 was earned in Q4 2018 (\$291 – Q4 2017) on excess cash, primarily funds held in Guaranteed Investment Certificates.

Legal, accounting and audit expense saw a decrease from \$30,631 in Q4 2017 to \$22,209 in Q4 2018.

Shareholder communications increased slightly from \$30,289 in Q4 2017 to \$32,263 in Q4 2018. The Company utilized the services Mr Horng Kher (Marc) Lee (\$30,000 each period). Other shareholder activities consist of web site maintenance, transfer agency fees, shareholder inquiries and all costs associated with timely disclosure of information.

Office and administration decreased slightly from \$18,163 in Q4 2017 to \$15,120 in Q4 2018. The office and administration costs include rent, shared office services and other costs related to administration of a public company.

1.11 Critical Accounting Estimates

Significant areas requiring the use of management estimates include the determination of impairment of exploration and evaluation assets, decommissioning liabilities, deferred income tax assets and liabilities, and assumptions used in valuing options and warrants in share-based compensation calculations.

1.12 Critical accounting policies and changes in accounting policies

The accounting policies followed by the Company are set out in Note 3 and 4 to the audited financial statements for the year ended December 31, 2018, and have been consistently followed in the preparation of these financial statements.

Application of new and revised accounting standards:

IFRS 2 Share-Based Payment: In June 2016 the Board issued the final amendments to *IFRS 2 Share-Based Payment* as follows:

- (a) Effects that vesting conditions have on the measurement of a cash-settled share-based payment;
- (b) Accounting for modification to the terms of a share-based payment that changes the classification of the transaction from cash-settled to equity settled;

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Classification of share-based payment transactions with net settlement features.

IFRS 7 *Financial Instruments* – Disclosure IFRS 7 was amended to require additional disclosures on transition from IAS 39 to IFRS 9. The standard is effective on adoption of IFRS 9, which is effective for annual periods beginning on or after January 1, 2018. The adoption of this standard did not have a significant impact on the Company’s financial statements.

In July 2014, the IASB issued the final version of IFRS 9 – *Financial Instruments* (“IFRS 9”) to replace IAS 39 – *Financial Instruments: Recognition and Measurement* in its entirety. IFRS 9 provides a revised model for recognition and measurement of financial instruments and a single, forward-looking ‘expected-loss’ impairment model, as well as a substantially reformed approach to hedge accounting. The standard did not impact the Company’s classification and measurement of financial assets and liabilities, and there was no significant impact on the carrying amounts of the Company’s financial instruments at the transition date.

IFRS 15 *Revenue from Contracts with Customers*: IFRS 15 provides guidance on how and when revenue from contracts with customers is to be recognized, along with new disclosure requirements in order to provide financial statement users with more informative and relevant information. The adoption of this standard did not have a significant impact on the Company’s financial statements.

Accounting Standards and Amendments Issued but Not yet Effective

The Company has not early adopted the following standards and amendments and anticipates that the application of these standards and amendments will not have a material impact on the financial position and financial performance of the Company:

- IFRS 16 *Leases*: IFRS 16 will be effective for accounting periods beginning on or after January 1, 2019. Early adoption will be permitted, provided the Company has adopted IFRS 15. This standard sets out a new model for lease accounting. The adoption of this standard is not expected to have a significant impact on the Company’s financial statements.

1.13 Financial instruments and other instruments

Financial assets and financial liabilities are measured on an ongoing basis at fair value or amortized cost. The disclosures in the notes to these financial statements describe how the categories of financial instruments are measured and how income and expenses, including fair value gains and losses, are recognized.

As at December 31, 2018, the classification of the financial instruments, as well as their carrying values and fair values, with comparative figures for December 31, 2017, are shown in the table below:

	December 31, 2018		December 31, 2017	
	Fair Value	Carrying Value	Fair Value	Carrying Value
Financial assets				
Cash	\$ 137,346	\$ 137,346	\$ 254,183	\$ 254,183
Short Term Investments	297,792	297,792	346,167	346,167
Credit card deposit	17,250	17,250	17,250	17,250
Reclamation deposit	15,120	15,120	15,120	15,120
Financial liabilities				
Accounts payable and accrued liabilities	60,935	60,935	56,338	56,338
Accounts payable to related party	30,819	30,819	2,805	2,805

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The fair values of the Company's financial instruments measured at December 31, 2018, constitute Level 1 measurements for its cash, short-term investments, investments, credit card deposit and reclamation deposits within the fair value hierarchy.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its obligations. The Company's maximum exposure to credit risk at the financial position date under its financial instruments consists of \$297,792 (2017 - \$346,167) in short term investments. Substantially all of the Company's cash is held with major financial institutions in Canada, and management believe the exposure to credit risk with such institutions is not significant. Those financial assets that potentially subject the Company to credit risk are primarily its investment in marketable securities of publicly-traded companies and any receivables. The Company has increased its focus on credit risk given the impact of the current economic climate. The Company considers the risk of material loss to be significantly mitigated due to the financial strength of the major financial institutions where cash and term deposits are held. The Company's maximum exposure to credit risk as at December 31, 2018, is the carrying value of its financial assets.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with financial liabilities. The Company has a planning and budgeting process in place by which it anticipates and determines the funds required to support normal operation requirements as well as the growth and development of its mineral property interests. The Company's financial liabilities are comprised of its accounts payable and accrued liabilities and amounts due to related parties, the contractual maturities of which at December 31, 2018, are summarized as follows:

	December 31, 2018
Accounts payable and accrued liabilities with contractual maturities – Within 90 days or less	\$ 12,510
Accounts payable to related parties with contractual maturities Within 90 days or less	30,819

Market risks

The significant market risks to which the Company is exposed include commodity price risk, interest rate risk and foreign exchange risk.

a) Commodity price risk

The Company's ability to raise capital to fund exploration or development activities is subject to risk associated with fluctuations in the market prices of gold, copper, zinc, lead, molybdenum and tungsten, and the outlook for these metals. The Company's ability to raise capital is affected by the prices of commodities that the Company is exploring for on its mineral property interests. The Company does not have any hedging or other derivative contracts respecting its operations.

Market prices for these metals have historically fluctuated widely and are affected by numerous factors outside of the Company's control, including, but not limited to, levels of worldwide production, short-term changes in supply and demand, industrial and retail demand, central bank lending, and forward sales by producers and speculators. The Company has elected not to actively manage its commodity price risk.

b) Interest rate risk

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The Company has no significant exposure at December 31, 2018, to interest rate risk through its financial instruments.

c) Currency risk

Fluctuations in United States dollars would not significantly impact the operations and the values of its assets and shareholders' equity at this time. If the Company were to go into production, the Company would be subject to more foreign currency risk from fluctuations in the Canadian dollar relative to the United States dollar, due to metals prices and their denomination in United States dollars.

1.14.1 Other MD&A Requirements

See the audited annual financial statements for the years ended December 31, 2018 and 2017.

1.14.2 Additional Disclosure for Venture Issuers without Significant Revenue

(a) capitalized or expensed exploration and development costs

The required disclosure is presented in the schedule of mineral property interests attached to the audited financial statements.

(b) expensed research and development costs

Not applicable.

(c) deferred development costs

Not applicable.

(d) general administrative expenses

The required disclosure is presented in the Statements of Operations and Deficit.

(e) any material costs, whether capitalized, deferred or expensed, not referred to in (a) through (d)

None.

1.14.3 Disclosure of Outstanding Share Data

The following details the share capital structure as of April 24, 2019, the date of this MD&A, subject to minor accounting adjustments:

Authorized Capital

Unlimited number of common shares without par value.

Issued and Outstanding Capital

14,527,214 common shares are issued and outstanding

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Stock Options Outstanding

	Number of Options	Exercise Price	Expiry Date
	860,000	0.15	March 8, 2022
Total	860,000	\$0.15 avg	3.19 years

Shareholder Rights Plan

The Company's board of directors and its shareholders have approved the adoption of a Shareholder Rights Plan (the "Rights Plan"), which has been implemented by way of a rights plan agreement (the "Rights Plan Agreement") designed to protect shareholders from unfair, abusive or coercive takeover strategies including the acquisition of control of the Company by a bidder in a transaction or series of transactions that may not treat all shareholders fairly nor afford all shareholders an equal opportunity to share in the premium paid upon an acquisition of control. The board of directors of the Company (the "Board") considered that the adoption of the Rights Plan was desirable and in the interests of all of the Company's shareholders. The Rights Plan Agreement was adopted to provide the Board with sufficient time, in the event of a public takeover bid or tender offer for the common shares of the Company, to pursue alternatives which could enhance shareholder value. These alternatives could involve the solicitation of other takeover bids or offers from other interested parties to provide shareholders desiring to sell the Company's common shares with the best opportunity to realize the maximum sale price for their common shares. In addition, with sufficient time, the Board would be able to explore and, if feasible, advance alternatives to maximize share value through possible corporate reorganizations or restructuring. The directors considered that they would need more time than is allowed for under existing securities legislation in order to have any real ability to consider such alternatives.

As at October 31, 2006, the rights (the "Rights") were issued and attached to all of Apex's outstanding common shares. A separate rights certificate will not be issued until such time as the Rights become exercisable (which is referred to as the "separation time"). The Rights will become exercisable only if a person, together with his or its affiliates, associates and others acting jointly, acquires or announces its intention to acquire beneficial ownership of Apex common shares which when aggregated with his or its current holdings total 20% or more of the outstanding Apex common shares (determined in the manner set out in the Rights Plan). The Rights will permit shareholders other than the acquiring person to purchase common shares of the Company at a 50% discount to their market price (as defined in the Rights Plan Agreement).

The Rights will not, however, be triggered by a "Permitted Bid", which is defined as a bid which is outstanding for a minimum of 60 days made to all of the shareholders of the Company for all of their common shares and, subject to other specified conditions, is accepted by a majority of independent shareholders (as detailed in the Rights Plan).

The Company has no knowledge of any pending or threatened takeover bids for the Company, and has no reason to believe that any takeover offer for the Company's shares is imminent.

1.14.4 Subsequent Events

In March 2019, the Company paid \$40,000 and issued 300,000 shares at a deemed price of \$0.07 per share pursuant to the Option Agreement of the Mount Anderson Property. The Company also paid \$15,000 and issued 50,000 shares in option payments pursuant to the Option Agreement on the Ore Hill Properties.

Other Information

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Controls and Procedures

In contrast to the certificate required under National Instrument 52-109 Certificate of Disclosure in Issuers' Annual and Interim Filings (NI 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109, in particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

- i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate.

Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Approval

The Board of Directors of Apex Resources Inc. has approved the disclosure contained in this Annual MD&A. A copy of this Annual MD&A will be provided to anyone who requests it and can be located along with additional information, on the SEDAR website at www.sedar.com.

Caution on Forward-Looking Information

This Annual MD&A contains "forward looking statements". These forward looking statements are made as of the date of this MD&A and the Company does not intend, and does not assume any obligation to update these forward looking statements.

Forward looking statements may include, but are not limited to, statements with respect to future remediation and reclamation activities, future mineral exploration, the estimation of mineral reserves and mineral resources, the realization of mineral reserve and mineral resource estimates, the timing of activities and the amount of estimated revenues and expenses, the success of exploration activities, permitting time lines, requirements for additional capital and sources and uses of funds. Forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward looking statements. Such factors include, among others, risks related to actual results of exploration activities; actual results of remediation and reclamation activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of gold and other commodities; possible variations in ore reserves, grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of exploration and development activities.