



MANAGEMENT DISCUSSION & ANALYSIS

For the Nine Months Ended

January 31, 2019

Management's Discussion and Analysis

This management's discussion and analysis (MD&A) for Gespeg Copper Resources Inc. (the "Corporation") should be read in conjunction with the condensed interim financial statements of January 31, 2019 and the audited annual financial statements of April 30, 2018. The Corporation's financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The Corporation presents its results in Canadian (CDN) dollars. All amounts in this MD&A are in Canadian dollars unless otherwise indicated.

Forward Looking Statements

Certain statements in this document that are not supported by historical facts are forward-looking, which means that they are subject to risks, uncertainties and other factors that may result in actual results differing from those anticipated or implied by such forward-looking statements. There are many factors that may cause such a disparity, notably unstable metal prices, the impact of fluctuations in foreign exchange markets and interest rates, inaccurate resources estimates, environmental risks (more stringent regulations), unexpected geological events, unfavourable mining conditions, political risks arising from mining in developing countries, changing regulations and government policies (laws or policies), failure to obtain required permits and approval from government authorities, or any other risk related to mining and development.

Even though the Corporation believes that the assumptions relating to the forward-looking statements are plausible, readers are cautioned to not place undue reliance on such statements, which are valid only as of the date of this document.

Additional information about the Corporation can be found under the Gespeg Copper Resources Inc. profile on the SEDAR website (www.sedar.com).

Date

This MD&A was prepared as of March 20, 2019.

Description of the Business

The Corporation was incorporated under the laws of British Columbia on May 31, 2006 and is listed on the TSX Venture Exchange ("TSX-V"). The principal business of the Corporation is the identification, exploration and development of mineral properties.

The Corporation is focusing on exploring and developing its copper mineral claims in the Gaspé region of Quebec, with a view to developing mineral occurrences and discovering economically viable mineral deposits.

The financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assume that the Corporation will continue in operation for the foreseeable future and will be able to realize its assets and discharge its obligations in the normal course of operation. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to twelve months from the end of the reporting period. The use of these principles may not be appropriate.

To date, the Corporation has not earned significant revenue and is considered to be in the identification and exploration stage.

The investment in, and expenditures on, exploration and evaluation assets comprise a significant portion of the Corporation's assets. Mineral exploration and development is highly speculative and involves inherent risks. Realization of the Corporation's investment in these assets is dependent upon the renewed legal ownership of the claims, and whether an economically viable operation can be established.

In addition, it has not yet been determined whether the Corporation's properties contain ore reserves that are economically recoverable. There can be no assurance that current exploration programs will result in the discovery of economically viable quantities of ore. While the rewards if an ore body is discovered can be substantial, few properties that are explored are ultimately developed into producing mines.

As at January 31, 2019, the Corporation's current committed cash resources are insufficient to cover expected expenditures in fiscal 2020. The Corporation's ability to continue as a going concern is dependent on being able to obtain the necessary financing to satisfy its liabilities as they become due. There can be no assurances that management will be successful in securing adequate financing.

The Corporation reported net losses in first nine months of fiscal 2019 and fiscal 2018 of \$195,388 and \$202,439 respectively. These recurring losses and the need for continued financing to further successful exploration may cast significant doubt as to the Corporation's ability to continue as a going concern.

The financial statements do not include any adjustments to the carrying values of asset and liabilities that might be necessary, if the Corporation is unable to continue as a going concern. Such adjustments could be material.

The technical disclosure contained in this MD&A was prepared by Bernard-Olivier Martel, P.Geo, a consultant to the Corporation. Mr. Martel is a “qualified person” within the meaning of National Instrument 43-101.

Selected Financial Information

For the periods ended	January 31, 2019	April 30, 2018	April 30, 2017
Cash	\$ 53,608	\$ 50,378	\$ 43,398
Exploration and evaluation assets	\$ 54,970	\$ 39,713	\$ 4
Total assets	\$ 139,995	\$ 97,495	\$44,806
Total liabilities	\$ 566,036	\$603,318	\$470,225
Shareholders' equity (deficiency)	\$(426,041)	\$(505,823)	\$(425,419)
Total operating expenses	\$ 255,164	\$280,059	\$2,392,370
Gain on disposal of exploration and evaluation asset	\$ 46,737	\$-	\$-
Other income on settlement of flow-through premium liability	\$ 13,039	\$2,580	\$2,800
Income tax expense (recovery)	\$-	\$-	\$-
Net loss	\$ 195,388	\$277,479	\$2,389,570
Loss per share, basic	\$0.00	\$0.00	\$0.03
Loss per share, diluted	\$0.00	\$0.00	\$0.03

Quarterly Results of Operations (unaudited)

	Three Months Ended			
	January 31, 2019	October 31, 2018	July 31, 2018	April 30, 2018
Total operating expenses	\$64,805	\$100,708	\$89,650	\$77,620
Net loss for the period	\$64,805	\$49,785	\$80,797	\$75,040
Loss per share	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
	January 31, 2018	October 31, 2017	July 31, 2017	April 30, 2017
	January 31, 2018	October 31, 2017	July 31, 2017	April 30, 2017
Total operating expenses	\$26,976	\$53,035	\$122,428	\$2,215,366
Net loss for the period	\$26,976	\$53,035	\$122,428	\$2,215,366
Loss per share	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.03

Three Month Period Ended January 31, 2019 and 2018:

For the three months ended January 31, 2019, the Corporation recorded a net loss of \$64,805 (\$0.00 per share), compared to loss of \$26,976 (\$0.00 per share) in the three months ended January 31, 2018.

	Three Months Ended January 31	
	2019	2018
General and administration ¹	13,471	6,194
Management fees ¹	27,500	15,000
Professional fees ²	18,591	3,667
Transfer agent and filing fees ³	5,243	2,115
	\$64,805	\$26,976
Notes:		
1. General and administration and management fees totalled \$40,971 in the three months ended January 31, 2019 compared to \$21,194 for the three months ended January 31, 2018. The increase relates primarily to increased business activity as the Corporation prepares for a change in the markets. Management fees ceased December 2016 and resumed again May 2017 for the CEO and resumed May 2018 for the CFO.		
2. Professional fees for the three months ended January 31, 2019 were \$18,591, an increase of \$3,667 from the three months ended January 31, 2018. The increase is attributable to the timing of the Corporation's activities which require professional services.		
3. The transfer agent and filing fees for the three months ended January 31, 2019 were \$5,243 compared to \$2,115 in the three months ended January 31, 2018. The increase is attributable to the timing of the Corporation's financing activities, Annual General meeting timing and the number of shares issued and outstanding during the period.		

Nine month periods ended January 31, 2019 and 2018:

For the nine months ended January 31, 2019, the Corporation recorded a net loss of \$195,388 (\$0.00 per share), compared to loss of \$202,439 (\$0.00 per share) in the nine months ended January 31, 2018. Although the difference between the two periods is insignificant there was an increase in business activity in the nine months ended January 31, 2019 as the Corporation continues to search and assess potential transactions.

General and administrative expenses in the nine months were \$45,395 compared to \$18,358, which is the result of the Company increasing business activity and initiating additional property investigations.

Professional fees increased to \$62,931 reflecting a general increase in transactions and financing activities.

Cash Flow:

Nine Months Ended January 31, 2019 and 2018:

Net cash used in operating activities in the nine months ended January 31, 2019 was \$295,305 compared to \$71,169 net cash used in the nine months ended January 31, 2018, a increase in cash used of \$224,136. The increase between the periods relates principally to an increase in property evaluation costs of \$69,314, combined with changes related to the timing of accounts payables payments and collection of tax credits and a general increase of corporate activities.

Net cash provided by investing activities in the nine months ended January 31, 2019 was \$41,865 compared to \$520 in the nine months ended January 31, 2018, an increase in cash provided of \$41,345. The change in investing activity is effected by the timing of exploration programs based on the availability of funds in the Company and the timing of resource input credits received from the Quebec government. In addition, the Corporation sold the quarries, net of claim renewal costs in the period.

Net cash generated in financing activities was \$256,670 in the nine months ended January 31, 2019 and \$83,220 in the comparative period. The cash generated in financing activities is subject to junior market conditions and the Company's need for cash based on planned exploration programs.

For the nine months ended January 31, 2019 the Corporation had a net increase in cash of \$3,230 compared to net increase of \$12,571 in the comparative period.

Exploration

During the nine months ended January 31, 2019, the Corporation continued its property investigation activities and did not execute any exploration activities on its existing properties. The Corporation continues to work towards completion of a transaction related to the properties investigated. In the nine months ended January 31, 2018 the Corporation had reduced exploration activities to preserve cash.

Analysis of Acquisition and Exploration Costs

	Balance as at May 1, 2017	Additions	Impairment/ Disposals	Balance as at April 30, 2018
Vortex	\$ 1	\$ 11,310	\$ (11,310)	\$ 1
Port Daniel	1	39,711	-	39,712
Cap-Chat	1	-	(1)	-
Cascapedia extension	1	-	(1)	-
	\$ 4	\$ 51,021	\$ (11,312)	\$ 39,713

	Balance as at May 1, 2018	Additions	Impairment/ Disposals	Balance as at January 31, 2019
Vortex	\$ 1	\$ 9,134	\$ -	\$ 9,135
Port Daniel	39,712	1,366	-	41,078
Lac Arsenault	-	4,757	-	4,757
	\$ 39,713	\$ 15,257	\$ -	\$ 54,970

Vortex

The Vortex project is a copper molybdenum exploration opportunity in the Gaspé region of Quebec and is the site of the former Gaspé Copper mine and smelter. The project encompasses 80 sq. km of land and is comprised of three main claim groups:

- a. The Sullipek deposit, situated on the western edge of the project area;
- b. The Sullipek East property, a skarn/porphyry copper opportunity; and
- c. The Madeleine des Vercheres claim group.

On July 23, 2013, the Corporation and ASPM Inc. (the “Vendor”) executed a term extension on the Madeleine des Vercheres claim group. Under the terms of the extension, the minimum exploration requirements of the Corporation have been adjusted as detailed in Note 6 in the 2018 annual audited financial statements. Further, the Corporation was required to make a one-time payment of \$30,000 to the Vendor (paid).

Also, considered a part of the Vortex is the In-between project, a copper molybdenum exploration opportunity in the Gaspé region of Quebec. It covers lands between Vortex to the west and Murdochville to the east. This area was claimed in 2011 and a geophysical survey was executed in 2012. The 2012 survey showed 436 targets and 141 priority one targets to be further explored in the future.

During the period, the Corporation reviewed its exploration and evaluation assets and determined economic conditions, commodity prices and the Corporation's future expenditure plans supported the need to impair the properties accordingly the Corporation recorded a write down in the amount of \$nil (April 30, 2018 - \$11,310).

Port Daniel

Port Daniel is a copper mineral opportunity located in the south region of the Gaspé Peninsula of Quebec.

Lac Arsenault

Lac Arsenault is a gold mineral opportunity located in the south region of the Gaspé Peninsula of Quebec. Currently, the Company holds 30 claims.

Montauban

Montauban is a gold mineral opportunity located in the regions of Chavigny and Portneuf townships of Quebec.

On June 9, 2017 and September 26, 2017, the Corporation signed a binding letter agreement with DNA Canada Inc, whereby the Corporation will acquire up to a 50% undivided interest in 65 mining claims for consideration as follows:

- a. Earn a 10% interest; by delivering a compliant 43-101 report on all existing tailings and issuing 3,000,000 common shares;
- b. Earn an additional 15% interest; obtaining all required permits and issuing 5,000,000 common shares
- c. Earn an additional 25% interest; by starting production of the tailings and issuing 10,000,000 common shares

The Corporation is working towards finalizing the final option agreement and seeking exchange approval. Until such time that the a final agreement is reached all exploration expenditures on the property are expensed as property investigation costs.

Cap-Chat

The Cap-Chat property is a copper, gold and zinc exploration opportunity in the north-central region of the Gaspé Peninsula of Quebec.

On July 21, 2015, the Corporation entered into an option agreement with Dan Lepage and Pierre Ross (the “Optionors”) whereby the Corporation can acquire a 100% interest in the Cap-Chat property by making a cash payment of \$10,000 on signing of the agreement (paid) and issuing a total of 1,000,000 common shares to the Optionors on approval from the TSX-V (issued at a fair value of \$37,500).

The property is subject to a 3% net smelter return royalty, of which 1.5% can be purchased by the Corporation for \$1,500,000.

During the year ended April 30, 2017, the Corporation reviewed its exploration and evaluation assets and determined economic conditions, commodity prices and the Corporation's future expenditure plans supported the need to impair the properties accordingly the Corporation recorded a write down in the amount of \$50,740.

During the year ended April 30, 2018, the Corporation allowed the mineral claims to lapse and wrote the property to \$nil.

Cascapedia extension

During the year ended April 30, 2017, the Corporation reviewed its exploration and evaluation assets and determined economic conditions, commodity prices and the Corporation's future expenditure plans supported the need to impair the properties accordingly the Corporation recorded a write down in the amount of \$539.

During the year ended April 30, 2018, the Corporation allowed the mineral claims to lapse and wrote the property to \$nil.

Net smelter royalty

As part of the acquisition of the Vortex claims, the Corporation entered into an agreement with 49 North Resources Inc. to grant a 2% net smelter return “NSR” royalty from the sale of all copper-molybdenum lands portion of the property, excluding the Port Daniel property. The Corporation may, at any time reduce the NSR from 2% to 0.5%, by making a cash payment of \$1,000,000 to 49 North.

Financing

Issuance of common shares:

On October 17, 2017, the Corporation completed a financing of 733,333 units at an issue price of \$0.06 per unit and 625,000 flow-through common shares at an issue price of \$0.08 per flow-through common share for gross proceeds of \$94,000. Each unit subscription entitles the holder to one non-flow-through common share of the Corporation and one-half common share purchase warrant with an exercise price of

\$0.10 and a term of 36 months. In connection with the financing, the Corporation issued 37,187 broker warrants and paid cash share issue costs totaling \$13,306.

On May 31, 2018, the Corporation completed a financing of 6,825,000 units at an issue price of \$0.03 per unit for gross proceeds of \$204,750. Each unit subscription entitles the holder to one non-flow-through common share of the Corporation and one common share purchase warrant with an exercise price of \$0.06 and a term of 24 months.

On June 14, 2018, the Corporation completed a financing of 2,866,667 units at an issue price of \$0.03 per unit for gross proceeds of \$86,000. Each unit subscription entitles the holder to one non-flow-through common share of the Corporation and one common share purchase warrant with an exercise price of \$0.06 and a term of 24 months. In connection with the May and June financings, the Corporation issued 160,000 broker warrants and paid cash share issue costs totaling \$17,162.

On August 13, 2018, the Corporation issued 100,000 pursuant to a property purchase agreement. The shares were valued at \$3,500, in total.

Share-based compensation

The directors of the Corporation have adopted, and the shareholders have approved a stock option plan (the "Option Plan"), pursuant to which the directors may from time to time grant options for up to 10% of its issued and outstanding shares. The purpose of the Option Plan is to attract, retain and motivate directors, employees and consultants of the Corporation and to advance the interests of the Corporation by providing such persons with the opportunity, through stock options, to acquire an equity interest in the Corporation.

	January 31, 2019		April 30, 2018	
	Options	Price	Options	Price
Outstanding and exercisable, beginning of period	-	\$ -	2,450,000	\$ 0.15
Options expired - unexercised	-	-	(2,450,000)	0.15
Outstanding and exercisable, end of period	-	\$ -	-	\$ 0.15

The weighted average remaining life of the Corporation's outstanding stock options is nil years as at January 31, 2019 (April 30, 2018 - nil years).

Related party transactions

Compensation of key executive personnel:

For the nine months ended January 31,	2019	2018
Consulting fees to officers	\$ 67,500	\$ 40,000

Consulting fees paid or accrued to directors and officers or companies controlled by directors and officers are recorded in management fees, general and administrative or, as applicable, capitalized to the exploration and evaluation assets.

Sylvain Laberge, a director and officer of the Corporation provided consulting services to the Corporation. Fees incurred during the period ended January 31, 2019 were \$45,000 (2018 - \$40,000) expense was recorded in management fees. As at January 31, 2019 the Corporation owed \$187,369 (April 30, 2018 - \$187,369) related to such services, which is included in accounts payable and accrued liabilities.

Andrew Davidson, a director and officer of the Corporation provided consulting services to the Corporation. Fees incurred during the period ended January 31, 2019 were \$22,500 (2017 - \$nil) expense was recorded in management fees. As at January 31, 2019 the Corporation owed \$73,450 (April 30, 2018 - \$73,450) related to such services, which is included in accounts payable and accrued liabilities.

Events After The Reporting Period

Subsequent to the reporting period, The Corporation completed its shares for debt transaction and issued 3,281,422 common shares to settle \$344,592 of non-arm's length consulting and management fees. The common shares were issued at a deemed price of \$0.105 per share.

On January 31, 2019, The Corporation announced the acquisition of the Montauban project from DNA Canada Inc. ("DNA"), an arm's length party. The acquisition will be completed through the issuance of \$3,778,825 convertible debenture. The convertible debenture will be convertible to common shares of the Corporation in the 12 months following the execution of the formal acquisition agreement. If the debenture is not fully converted within 12 months of executing the formal agreement the conversion price will automatically increase to \$0.10 and the number of common shares reduced accordingly. At the Direction of DNA, upon conversion of the debenture the common shares will be issued directly to the shareholders of DNA. In addition, the Corporation will assume up to \$150,000 of DNA's debts related to utilities, unpaid taxes, existing mortgage and debts to service providers. The transaction has not been completed and is subject to approval by the TSX venture and DNA's shareholders.

Off-Balance Sheet Arrangements

None.

Critical Accounting Estimates

The Corporation's financial statements have been prepared in accordance with IFRS. The preparation of financial statements in accordance with IFRS required management to make estimates and assumptions that affect the reported amounts of assets and liabilities as at the date of the financial statements. Actual results could differ from these estimates. The significant accounting policies used by the Corporation in this regard are discussed in detail in the notes to the 2018 annual audited financial statements. See Note 2 of the financial statements.

Financial Instruments

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

The fair value of the Corporation's other receivables and accounts payable and accrued liabilities approximate their carrying values. The Corporation's other financial instrument, being cash, is measured at fair value using Level 1 inputs.

The Corporation's risk exposures and the impact on the Corporation's financial instruments are summarized as follows:

Credit Risk

The Corporation's credit risk is primarily attributable to cash. The Corporation has no significant concentration of credit risk arising from operations. Cash is held with reputable financial institutions, from which management believes the risk of loss to be remote.

Liquidity Risk

The Corporation's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at January 31, 2019, the Corporation had a cash balance of \$53,608 to settle accounts payable and accrued liabilities of \$566,036.

The Corporation has historically relied on equity financings to satisfy its capital requirements and will continue to depend heavily upon equity capital and debt to finance its activities. There can be no assurance the Corporation will be able to obtain the required financing in the future on acceptable terms.

Interest rate risk

The Corporation is not exposed to risk in the event of interest rate fluctuations. The Corporation has not entered into any interest rate swaps or other financial arrangements that mitigate the exposure to interest rate fluctuations.

Mining claims obligations

In order to maintain the Corporation's mining claims, the Corporation must pay the following annual statutory obligations and perform the listed minimum annual work on the properties. These obligations are prescribed by the Ministère des Ressources Naturelles du Québec and may change in the future. It should also be noted that prior to the acquisition of the claims from Kimpar, Kimpar had filed the statutory report on expenses of the work performed on the properties acquired. Minimum annual statutory obligations and exploration expenditures are as follows:

	Annual statutory obligations
Vortex	\$ 64,870
Port Daniel	3,900
	\$ 68,770

Capital Management

The Corporation's objectives when managing capital are:

- a. to allow the Corporation to respond to changes in economic and/or marketplace conditions by maintaining the Corporation's ability to continue its exploration programs;
- b. to provide sustained growth and value by increasing equity; and
- c. to maintain a flexible capital structure which optimizes the cost of capital at acceptable levels of risk.

The Corporation manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of its underlying assets. The Corporation maintains or adjusts its capital level to enable it to meet its objectives by:

- a. raising capital through equity financings; and
- b. borrowing funds in the form of advances from related parties.

The Corporation is not subject to any capital requirements imposed by a regulator. There were no changes in the Corporation's approach to capital management during the current year. The Corporation's management is responsible for the management of capital and monitors the Corporation's use of various forms of leverage on a daily basis.

Risks and Uncertainties

The following discussion outlines a number of risks that management believes could impact the Corporation's business.

Financial Risk

Additional funds may be required in the future to finance exploration and development work. The Corporation has access to funds through the issuance of additional equity and borrowing. There can be no assurance that such funding will be available to the Corporation under current economic conditions. Furthermore, even if such financing is successfully completed, there can be no assurance that it will be obtained on terms favourable to the Corporation or that it will provide the Corporation with sufficient funds to meet its objectives, which could adversely affect the Corporation's business and financial condition.

Title to Properties

Although the Corporation has taken reasonable measures to ensure proper title to its properties, there is no guarantee that titles to any of its properties will not be challenged or impugned. Third parties may have valid claims underlying portions of the Corporation's interests.

Industry Conditions

Mineral resource exploration and development involves a high degree of risk that even a combination of careful assessment, experience and know-how cannot eliminate. While the discovery of a deposit may prove extremely lucrative, few properties that undergo prospecting ever generate a producing mine. Substantial amounts may be required to establish ore reserves, develop metallurgical processes and build mining and processing facilities at a given site. There can be no assurance that the exploration and development programs planned by the Corporation will result in a profitable mining operation. The economic viability of a mineral deposit depends on a number of factors, some of which relate to the particular characteristics of the deposit, particularly its size, grade and proximity to infrastructure, as well as the cyclical nature of metal prices and government regulations, including those regarding prices, royalties, production limits, importation and exportation of minerals, and environmental protection. The impact of such factors cannot be precisely assessed but may prevent the Corporation from providing an adequate return on investment.

Government Regulation

The Corporation's activities must comply with the applicable legislation on exploration and development, environmental protection, obtaining of permits, and authorization of mining operations in general. The Corporation believes that it is in compliance in all material respects with such laws. Changing government regulations could have an adverse impact on the Corporation's operations.

Outlook

Management will continue to manage its funds very rigorously, its primary objective being to optimize return on investment for its shareholders. Its development strategy is focused on the discovery of economically viable deposits that will generate profits from mining and ensure the Corporation's survival. In applying its development strategy, management will take into account the global exploration context, stock market trends and the prices of copper and other metals.

Outstanding Share Data:

The Corporation is authorized to issue an unlimited number of common shares.

As of March 20, 2019, the number of common shares of the Corporation outstanding or reserved for issue under convertible securities is as follows:

Common shares	Number
Outstanding	85,739,934
Issuable under warrants and broker warrants	10,255,521
Issuable under stock options	-
Total diluted common shares	95,995,455