KARAM MINERALS INC.

Management's Discussion and Analysis
For the Year Ended June 30, 2020

Prepared as of October 27, 2020

Management's Discussion and Analysis

For the year ended June 30, 2020 prepared as of October 27, 2020

The following management's discussion and analysis ("MD&A") has been prepared by Management. The following discussion of performance, financial condition and future prospects should be read in conjunction with the audited annual financial statements for the year ended June 30, 2020 of Karam Minerals Inc. ("Karam" or the "Company") and notes thereto. The information provided herein supplements but does not form part of the financial statements. This discussion covers the year ended June 30, 2020 and the subsequent period up to the date of issue of this MD&A. Unless otherwise noted, all dollar amounts are stated in Canadian dollars.

The Company's audited annual financial statements for the year ended June 30, 2020, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's common shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) if it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

This MD&A is intended to help the reader understand Karam, its operations, financial performance, current and future business environment and opportunities and risks facing the Company. Certain statements in this report incorporate forward looking information and readers are advised to review the cautionary note regarding such statements in Appendix 1 of this MD&A.

Description of Business and Overview

Karam was incorporated under the *BC Business Corporations Act* on December 14, 2016. On April 24, 2019, the Company completed its initial public offering ("IPO") pursuant to a prospectus dated February 13, 2019 (the "Prospectus") filed with the British Columbia, Alberta and Ontario Securities Commissions. Effective at the opening of the market on April 25, 2019 the Company's common shares (the "Shares") commenced trading on the Canadian Securities Exchange under the symbol "KMI".

The Company has not commenced commercial operations. At present, the Company has no current operating income. Without additional financing, the Company may not be able to fund its ongoing operations and complete its development activities. The Company intends to finance its future requirements through a combination of debt and/or equity issuance. There is no assurance that the Company will be able to obtain such financings or obtain them on favourable terms. These uncertainties may cast significant doubt on the Company's ability to continue as a going concern. The Company will need to raise sufficient working capital to maintain operations.

General Development of the Business

The Company is a resource exploration company focused on the acquisition, evaluation and exploration of mineral resource properties. To date, the Company has focused its exploration activities in the Province of British Columbia. The Company owns a 100% undivided interest in two mineral titles covering approximately 1,621.9 hectares, is centred 265 km northeast of Vancouver in south-central British Columbia, that include the Black Duck and the Black Duck South mineral titles (the "Black Duck Property").

The Black Duck Property, consisting of two mineral titles covering approximately 1,621.9 hectares, is centred 265 km northeast of Vancouver in south-central British Columbia. Black Duck Property access is from Kamloops or Vancouver via the Trans-Canada Highway to the Deadman River road, 8 kilometres west of Savona. The Deadman River road leads to Vidette Lake and a series of logging roads that allow access to the Black Duck Property.

The Black Duck Property was acquired by staking and is owned 100% by the Company.

The Black Duck Property occurs within basaltic and andesitic rocks of the Upper Triassic Nicola Group intruded by granodiorites of Triassic or Jurassic age and belonging to the Thuya Batholith. These Mesozoic rocks occur as erosional windows in a regionally persistent cover of Miocene to Pliocene continental basalt flows and coarse continental sediments of the Chilcotin Group.

Gold mineralization is reported in vein quartz of the Moon showing, located within the southern part of the Black Duck Property, (locality uncertain), and the Telluric showing, located outside the northeastern boundary of the Black Duck Property.

Globally, gold quartz veins occur as tabular fissure veins in more competent host lithologies, and as veinlets and stringers forming stockworks in less competent lithologies. They typically occur as a system of en echelon veins on all scales. Lower grade bulk-tonnage styles of mineralization may develop in areas marginal to veins with gold associated with disseminated sulphides. May also be related to broad areas of fracturing with gold and sulphides associated with quartz veinlet networks.

The veins usually have sharp contacts with wall rocks and exhibit a variety of textures, including massive, ribboned or banded and stockworks with anastamosing gashes and dilations. Textures may be modified or destroyed by subsequent deformation.

An exploration program comprising soil, silt and rock sampling, in conjunction with a ground magnetometer survey, was carried out in on the Black Duck Property in April, 2018. Analysis and interpretation of the samples collected were also completed.

On June 28, 2018, a field examination of the Black Duck Property was carried out by Thomas H. Carpenter, B.Sc., P. Geo., of Discovery Consultants accompanied by Mr. Raymond Wladichuk. The geology of the Black Duck Property was viewed and the April 2018 program reviewed. The Telluric shaft was located during the visit and examined, along with open cuts and pits along strike from the Telluric shaft to the east-southeast.

As a result, Mr. Carpenter prepared a technical report titled "Technical Report on the Black Duck Property, Clinton Mining Division, British Columbia, Canada" dated July 6, 2018 in accordance with NI 43-101, (the "Black Duck Report"). The Black Duck Report is available under the Company's profile on SEDAR.

In the Black Duck Report, a two-stage exploration program is recommended to further explore the Black Duck Property and should be focused on west-northwest trending linears on the Black Duck Property with a similar trend to that hosting the nearby Telluric gold showing that was the subject of exploration and development in the 1930s.

Phase 1 of the exploration program for the Black Duck property began in May 2019 and ended in June 2019. Work as per the recommendations in the Black Duck Report was performed by Waldo Sciences Inc. and managed by consulting geologist Raymond E. Wladichuk (GIT). The scope of the project included:

- geological mapping, rock sampling, and prospecting;
- till sample survey grid along the NW linear along trend from the historical Telluric mine;
- soil sample survey grid along same linear in areas not covered during the program last year;
- attempted hand trenches along the same linear mentioned above as time permitted; and
- further investigation into other areas on the property where economically feasible gold grades had been previously reported.

Rock, till and soil samples were submitted to a lab for geochemical analysis. Geochemical results were received and warranted further exploration. In its final report, Waldo Sciences Inc. recommended that further exploration on this property should consist of two stages:

Stage 1 – Early Spring
- VLF EM survey in the North West area of the property along the NW-SE trending linear from the Telluric mine. Lines should be perpendicular to strike. Locate a cluster of lines directly over and proximal to the Gozer showing;
- correlate VLF EM results with till sample results;
- continued prospecting around the area thought to be the Moon showing; and
- continue with till sample survey coverage of the property.

Stage 2 – Summer-early fall
- trenching at the location of IS-BD19-ROCK-005 to follow the extent of the mineralized structure; and
- trenching at other geophysical targets obtained from the VLF-EM Survey.

To date, the Company has spent $84,732 on Phase I program costs.

Details of exploration activities during the years ended June 30, 2020 and 2019 are as follows:

	Years ended	
Black Duck Property	June 30, 2020	June 30, 2019
Exploration and evaluation costs		
Equipment rental	$ -	$ 8,018
Field costs	-	9,628
Geochemical	-	22,647
Property costs	1,000	-
Project management	-	40,718
Technical report	-	2,721
Total exploration and evaluation costs	1,000	83,732
BC METC (1)	-	(25,120)
Exploration and evaluation costs	$ 1,000	$ 58,612

(1) The Company's exploration and evaluation costs incurred in British Columbia are eligible for a British Columbia Mining Exploration Tax Credit ("BC METC"). The amount receivable from BC METC for the exploration and evaluation costs incurred during the year ended June 30, 2020 was $nil (2019 – $25,120).

A Phase II program is to be carried out based on successful results from the Phase I program final report and would consist of additional trenching and a diamond drilling program. The recommended Phase II program is estimated to cost $162,773.

Other than as described herein, the Company has not completed any acquisitions or dispositions since its date of incorporation on December 14, 2016 and is not currently in negotiations with respect to any potential material acquisitions or dispositions.

QUALIFIED PERSONS

Mr. Mohan R. Vulimiri, M.Sc., P.Geo, a Director of the Company, is the Qualified Person for the Company.

Trends

There are significant uncertainties regarding the prices of precious and base metals and the availability of equity financing for the purposes of mineral exploration and development. For instance, the prices of gold, silver and other minerals have fluctuated widely in recent years and wide fluctuations may continue. Management is not aware of any trends, commitments, events or uncertainties that could reasonably be expected to have a material adverse effect on the Company's business, financial condition or results of operations.

Financial Results of Operations

Selected Financial Information

The following selected financial data is derived from the financial statements prepared in accordance with IFRS:

	Year ended June 30, 2020	Year ended June 30, 2019	Year ended June 30, 2018
Total revenue	$Nil	$Nil	$Nil
Net Loss	$256,254	$327,925	$86,630
Loss per common share, basic and diluted	$0.01	$0.02	$0.03
Total assets	$28,042	$250,408	$263,319
Long term debt	$Nil	$Nil	$Nil
Dividends paid/payable	$Nil	$Nil	$Nil

Quarterly Financial Results

The following selected financial data is derived from the financial statements prepared in accordance with IFRS:

Quarter ended	**Jun 30, 2020**	**Mar 31, 2020**	**Dec 31, 2019**	**Sep 30, 2019**	**Jun 30, 2019**	**Mar 31, 2019**	**Dec 31, 2018**	**Sep 30, 2018**
Cash	$22,453	$36,150	$149,893	$147,999	$211,622	$175,281	$174,672	$198,060
Net loss	$99,732	$84,279	$28,392	$43,851	$221,272	$50,511	$31,367	$24,775
Shares outstanding	17,351,000	17,351,000	17,351,000	17,351,000	17,351,000	14,351,000	14,351,000	14,351,000
Loss per common share (basic and diluted)	$0.02	$0.001	$0.00	$0.00	$0.02	$0.00	$0.00	$0.00

The net loss for the quarter ended September 30, 2018 was mainly a result of accounting and audit fees of $9,000 related to the financial audit of year ended June 30, 2018 and management fees of $13,500 paid to or accrued for senior management for time spent on the activities of the Company during the quarter.

The net loss for the quarter ended December 31, 2018 was mainly a result of management fees of $13,500 paid to or accrued for senior management for time spent on the activities of the Company during the quarter and transfer agent and filing fees of $11,249 associated with filing the Company's initial public offering.

The net loss for the quarter ended March 31, 2019 was mainly a result of management fees of $13,500 paid to or accrued for senior management for time spent on the activities of the Company during the quarter, legal fees of $25,000 and transfer agent and filing fees of $8,736 both associated with filing the Company's initial public offering.

The net loss for the quarter ended June 30, 2019 was mainly a result of exploration expenses of $55,891 related to the Black Duck Property, legal fees of $59,631 related to the completion of the Company's IPO, and share based compensation expense of $74,613 related to the granting of stock options to the Company's directors and senior management.

The net loss for the quarter ended September 30, 2019 was mainly a result of professional fees of $16,875 related to advisory services related to capital markets and management fees of $13,500 paid to or accrued for senior management for time spent on the activities of the Company during the quarter.

The net loss for the quarter ended December 31, 2019 was mainly a result of professional fees of $6,869 related to advisory services related to capital markets and management fees of $13,500 paid to or accrued for senior management for time spent on the activities of the Company during the quarter.

The net loss for the quarter ended March 31, 2020 was mainly a result of professional fees of $62,794 related to advisory services related to capital markets and management fees of $13,500 paid to or accrued for senior management for time spent on the activities of the Company during the quarter.

The net loss for the quarter ended June 30, 2020 was mainly a result of marketing expenses of $53,366, corporate administration fees of $61,875, and transfer agent and filing fees of $50,619 that included costs for the Company's US listing.

Results of Operations

Three months ended June 30, 2020 and 2019

The Company incurred a net loss of $99,732 for the three months ended June 30, 2020 compared to a net of loss of $221,272 for the comparable period in 2019, a decrease of $121,540. The decrease in net loss in 2020 can be attributed mainly to lower exploration expenses, and legal fees. The Company did not incur share-based compensation expenses as a result of no issuance. There was no flow-through premium liability in 2020.

For the three months ended June 30, 2020, the Company incurred exploration expenses of $nil compared to $55,891 for the comparable period in 2019. The decrease of $55,891 in 2020 compared to 2019 was mainly a result of no project management costs and no British Columbia Mining Exploration Tax Credit ("BC METC") in 2020 compared to 2019.

For the three months ended June 30, 2020, the Company incurred legal fees of $16,719 compared to $59,361 for the comparable period in 2019, an decrease of $42,642. Costs incurred in 2019 were for fees associated with filing the Company's initial public offering.

For the three months ended June 30, 2020, the Company incurred share-based compensation of $nil compared to $74,613 for the comparable period in 2019. No stock options were granted in 2020. Expense incurred in 2019 was associated with the immediate vesting of stock options granted to directors and senior management.

For the three months ended June 30, 2020, the Company incurred transfer agent and filing fees of $1,008 compared to $13,718 for the comparable period in 2019. Costs incurred in 2019 were associated with filing the Company's initial public offering.

For the three months ended June 30, 2020, the Company incurred recorded a recovery on flow-through premium liability of $nil compared to $nil in 2019. No flow-through shares were offered in 2020.

Year ended June 30, 2020 and 2019

The Company incurred a net loss of $256,254 for the year ended June 30, 2020 compared to a net of loss of $327,925 for the comparable period in 2019. The loss in 2020 can be attributed mainly to accounting and audit fees, exploration expenses, legal fees, management fees, share based compensation expense, and transfer agent and filing fees.

For the year ended June 30, 2020, the Company incurred accounting and audit fees of $18,189 compared to $18,704 for the comparable period in 2019. Costs incurred in 2020 were for the filing of the Company's corporate tax return, and fees incurred for the financial audit of year ended June 30, 2019.

For the year ended June 30, 2020, the Company incurred exploration expenses of $1,000 compared to $58,612 for the comparable period in 2019. The decrease of $57,612 in 2020 compared to 2019 was mainly a result of decreased project management costs and no BC METC in 2020 compared to 2019.

For the year ended June 30, 2020, the Company incurred legal fees of $16,719 compared to $84,361 for the comparable period in 2019. The decrease of $67,642 in 2020 was a result of no IPO fees in the current year.

For the year ended June 30, 2020, the Company incurred management fees of $54,000 compared to $54,000 for the comparable period in 2019.

For the year ended June 30, 2020, the Company incurred share-based compensation of $nil compared to $74,613 for the comparable period in 2019. No stock options were granted in 2020. Expense incurred in 2019 was associated with the immediate vesting of stock options granted to directors and senior management.

For the year ended June 30, 2020, the Company incurred transfer agent and filing fees of $50,619 compared to $33,703 for the comparable period in 2019. Costs incurred in 2019 were for fees associated with the completion of the Company's IPO.

For the year ended June 30, 2020, the Company incurred recorded a recovery on flow-through premium liability of $nil compared to $nil in 2019. No flow-through shares were offered in 2020.

Liquidity and Capital Resources

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements.

At June 30, 2020 the Company had working deficiency[1] of $63,798 which included cash of $22,453 available to meet short-term business requirements and liabilities of $91,839. The Company's accounts payable and accrued liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. The Company's promissory notes are due on demand. The Company has no long term debt.

(1) Non-GAAP Financial Measure:
The Company uses "working capital" to assess liquidity and general financial strength and is calculated as current assets less current liabilities. Working capital does not have any standardized meaning prescribed by IFRS and is referred to as a "Non-GAAP Financial Measure." It is unlikely for Non-GAAP Financial Measures to be comparable to similar measures presented by other companies. Working capital is calculated as current assets (June 30, 2020 – $28,041; June 30, 2019 – $250,407), less current liabilities (June 30, 2020 – $91,839; June 30, 2019 – $57,951).

At present, the Company has no current operating income. Without additional future financing, the Company may not be able to fund its ongoing operations and complete future development activities including Phase II of the exploration program. The Company intends to finance its future requirements through a combination of debt and/or equity issuance. There is no assurance that the Company will be able to obtain such financings or obtain them on favourable terms. These uncertainties cast significant doubt on the Company's ability to continue as a going concern. The Company will need to raise sufficient working capital to maintain operations.

Current year financing

No financings conducted in the current fiscal year.

Prior year financing

On April 24, 2019, pursuant to the Prospectus associated with the Company's IPO, the Company issued 3,000,000 common shares at $0.10 per share for gross proceeds of $300,000.

Outstanding Share Data

As at June 30, 2020 and the date of this report, the Company had 17,351,000 issued and outstanding common shares and 1,240,000 options outstanding.

Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements.

Transactions with Related Parties

The Company's related parties consist of key management personnel and companies owned directly or indirectly by key management personnel.

Key management personnel include persons having the authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Board of Directors and corporate officers.

During the year ended June 30, 2020, the Company paid or accrued management fees of $36,000 (2019 – $36,000) to a Company controlled by the Company's CEO.

During the year ended June 30, 2020, the Company paid or accrued management fees of $18,000 (2019 – $18,000) to the Company's CFO.

During the year ended June 30, 2020, the Company paid or accrued accounting fees of $2,625 (2019 – $2,500) to a Company in which the Company's CEO is a principal.

During the year ended June 30, 2020, the Company paid or accrued legal fees of $nil (2019 – $62,646) to a legal firm in which a Director of the Company is a partner.

As at June 30, 2020, accounts payable and accrued liabilities include $nil (2019 - $6,300) payable to the Company's CEO and $nil (2019 - $4,725) payable to the Company's CFO.

Amounts owed to related parties included in accounts payable and accrued liabilities are unsecured, non-interest-bearing and are without fixed terms of repayment.

Critical Accounting Estimates and Judgments

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may vary from these estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates will, by definition, seldom equal the actual results. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future years affected.

Significant areas requiring the use of management estimates and judgments include:

Going concern
The assessment of whether the concern assumption is appropriate requires management to take into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period. The Company is aware that material uncertainties exist related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

Capitalization of mineral properties
The application of the Company's accounting policy for mineral properties requires judgement in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after the expenditure is capitalized, information becomes available suggesting that the recovery of the expenditure is unlikely, the amount capitalized is written off in profit or loss in the period the new information becomes available.

Mining exploration tax credits and flow-through expenditures
The Company is eligible for refundable tax credits on qualified resource expenditures incurred in the province of British Columbia. Management's judgment is applied in determining whether the resource expenditures are eligible for claiming such credits.

The Company is also required to spend proceeds received from the issuance of flow-through shares on qualifying resources expenditures.

Differences in judgment between management and regulatory authorities with respect to qualified expenditures may result in disallowed expenditures by the tax authorities. Any amount disallowed may result in the Company's required expenditures not being fulfilled.

Management makes estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of management estimates include:

- the determination of asset retirement and environmental obligations; and
- the utilization of deferred income tax assets.

While management believes that these estimates are reasonable, actual results could differ from those estimates and could impact future results of operations and cash flows.

Accounting Policies

The Company's significant accounting policies are disclosed in note 3 of the Company's audited financial statements for the year ended June 30, 2020.

Financial Instruments

The Company's financial instruments as at June 30, 2020 include cash, accounts payable and accrued liabilities and promissory notes.

The Company's financial assets and financial liabilities are classified and measured as follows:

Financial instrument	Category
Cash	Fair value through profit or loss
Accounts payable and accrued liabilities	Amortized cost
Promissory Notes	Amortized cost

The carrying values of financial assets and liabilities approximate their fair values due to the short-term maturity of these financial instruments.

The Company's risk exposure and the impact on the Company's financial instruments are summarized below:

(a) Credit risk
Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk for the Company is associated with its cash. The Company is not exposed to significant credit risk as its cash is placed with a major Canadian financial institution.

(b) Liquidity risk
Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

As at June 30, 2020, the Company has cash of $22,453 (2019 – $211,622) available to apply against short-term business requirements and current liabilities of $91,839 (2019 – $57,951). All of the liabilities presented as accounts payable and accrued liabilities are due within 90 days of June 30, 2020. The promissory notes are due on demand.

(c) Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk. The Company is not exposed to significant market risk.

(d) Interest rate risk
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's exposure to interest rate risk arises primarily from their cash in bank and promissory note. The Company's promissory note bears interest at 8% per annum.

The Company does not expect any significant effect on the Company's loss arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the of the financial year.

Management's responsibility for financial statements

The information provided in this report, including the financial statements is the responsibility of Management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgements and have been properly reflected in the accompanying financial statements.

On behalf of Management and the Board of Directors,

"Michael Sadhra"
Chief Executive Officer, President and Director
APPENDIX 1

Cautionary Note Regarding Forward-Looking Statements

This MD&A contains "forward-looking statements". Forward-looking statements reflect the Company's current views with respect to future events, are based on information currently available to the Company and are subject to certain risks, uncertainties, and assumptions, including those discussed elsewhere in this MD&A. Forward-looking statements include, but are not limited to, statements with respect to the success of mining exploration work, title disputes or claims, environmental risks, unanticipated reclamation expenses, the estimation of mineral reserves and resources and capital expenditures. In certain cases, forward-looking statements can be identified by the use of words such as "intends", "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "anticipates" or "does not anticipate", or "believes", or various of such words and phrases or state certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors which may cause the actual results, performance or achievements expressed or implied by the forward-looking statements to differ. Such factors include, among others, risks related to actual results of current exploration activities, changes in project parameters as plans are refined over time, the future price of gold and other precious or base metals, possible variations in minerals resources, grade or recovery rates, accidents, labour disputes, title disputes and other risks of the mining industry, fluctuation of currency exchange rates, delays in obtaining, or inability to obtain, required governmental approvals or financing or in the completion of development or construction activities, claims limitations on insurance coverage, as well as other factors discussed under "Risk Factors". Although the Company has attempted to identify material factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained in this MD&A are made as of the date of this MD&A. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not assume the obligations to update forward-looking statements, except as required by applicable law.