INTERNATIONAL MONTORO RESOURCES INC.

Form 51-102F1

Management's Discussion & Analysis
for the 2nd Quarter Ended February 29, 2020
(and containing information as April 29, 2020)

OVERVIEW

The following Management Discussion and Analysis ("MD&A") is a review of the operations, current financial position and outlook for International Montoro Resources Inc. ("IMT", "Montoro" or the "Company") and should be read in conjunction with the unaudited Financial Statements for the 2nd quarter ended February 29, 2020 and comparative for the 2nd quarter ended February 29, 2019 and the related notes thereto, copies of which are filed on the SEDAR website: www.sedar.com.

The Company prepares its financial statements in accordance with International Financial Reporting Standards ("IFRS"). All dollar figures included herein and in the following discussion and analysis are quoted in Canadian dollars unless otherwise noted. The financial information in the MD&A is derived from the Company's financial statements prepared in accordance with IFRS.

Forward-looking Statements and Information

This Management Discussion and Analysis ("MD&A") contains certain forward-looking statements and information relating to International Montoro Resources Inc. ("IMT", "Montoro", or the "Company") that are based on the beliefs of its management as well as assumptions made by and information currently available to IMT. Forward-looking statements are projections of events, revenues, income, future economic performance or management's plans and objectives for future operations. In some cases, you can identify forward-looking statements by the use of terminology such as "may", "should", "expects", "plans", "anticipates", "believes", "estimates", "predicts", "potential", or "continue" or the negative of these terms or other comparable terminology. Examples of forward-looking statements made in this MD&A include statements about the Company's business plans, the costs and timing of its developments; its future investments and allocation of capital resources; success of exploration activities; requirements for additional capital; and government regulation of mining operations. These statements are only predictions and involve known and unknown risks, uncertainties and other factors, including: general economic and business conditions, fluctuations in worldwide prices and demand for minerals; our lack of operating history; the actual results of current exploration activities; conclusions or economic evaluations; changes in project parameters as plans continue to be refined; possible variations in grade and or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes or other risks of the mining industry; delays in obtaining government approvals or financing or incompletion of development or construction activities, any of which may cause our or our industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements.

While these forward-looking statements and any assumptions upon which they are based are made in good faith and reflect our current judgment regarding the direction of the Company's business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions or other future performance suggested herein. Except as required by applicable law, including the securities laws of Canada, the Company does not intend to update any of the forward-looking statements to confirm these statements to actual results.

Cautionary Note to Investors Concerning Estimates of Measured and Indicated Resources. This discussion may use the terms "measured resources" and "indicated resources". The Company advises investors that while those terms are recognized and required by Canadian regulators, the U.S. Securities and Exchange Commission does not recognize them. **Investors are cautioned not to assume that any part or all of mineral deposits in these categories will ever be converted into reserves.**

DESCRIPTION OF THE COMPANY'S BUSINESS

The Company was incorporated January 30th, 1987 under the laws of the Province of British Columbia and is listed on the TSX Venture Exchange ("TSX-V") as a Tier 2 mining exploration Issuer. The shares of the Company trade on the TSX-V under the symbol "IMT".

The Company is engaged in exploration and development of mineral properties, focusing on projects in British Columbia, Ontario and Quebec, Canada. At this time, the Company does not own any operating mines and has no operating income from mineral production. Funding for operations is raised primarily through public and private share offerings. Future operations and the Company's ability to meet its mineral interest commitments are dependent on the Company's ability to raise sufficient funds through share offerings, debt, or operations to support current and future expenditures.

The Company's long-term objectives will be to:

(a) Continue exploration and development work on its existing mineral properties;
(b) Determine if an economic mineral deposit exists on the mineral properties;
(c) Find one or more economic mineral deposits and bring them to commercial production;
(d) Acquire and evaluate additional complementary mineral properties to expand the Company's portfolio; and
(e) Deliver a return on capitalization to shareholders.

OVERALL PERFORMANCE AND MINERAL INTERESTS

1.1 Date – April 29, 2020

The following MD&A was approved by the Directors of the Company.

1.2 Mineral Interests:

The following are highlights of the progress on the various mineral projects, during the current year and in the past several years.

(a) Serpent River – Sault Ste. Marie Mining Division – Elliot Lake – Northern Ontario

On December 29, 2006 the Company entered into an agreement to acquire a 100% interest in ten mining claims in the Sault Ste. Marie Mining Division, Elliot Lake area, in Northern Ontario, known as the Serpent River property.

The terms of the agreement included the issuance of a total 100,000 common shares and $500,000 in cash payments at prescribed intervals up to December 12, 2010 (completed). In addition, there is a 2.0% net smelter return relating to the acquisition. The Company may at any time purchase 1.0% of the NSR for $1.5 million.

From **2007 to 2011,** the Company has completed the following exploration work in a number of successive programs:

- A NI 43-101 compliant Technical Report completed by Scott Wilson Roscoe Postle Associates Inc. ("Scott Wilson RPA") –**March 2007**
- Roadwork and access to drill sites **– August 2007**
- 12 hole NQ Diamond Drill program on the Pecors Channel (west side of the property), and 4 holes in the Whiskey Channel (east side) Total of 2755 meters –**September 2007 – January 2008**
- Petrographic Analysis of 21 Drill Core Samples –**December 2007**
- Engaged Geotech Ltd. and conducted an airborne "VTEM" electromagnetic survey over the entire property, in conjunction with surveying adjoining properties of Pele Mountain and Verbina Resources. The survey identified several high priority EM conductors –**February 2008**
- Re-assayed 71 pulps from 2007 drill program for a total suite of Rare Earth Elements (REE's) – **November 2009**

- 5 hole (867 meters) MTW Diamond Drill program exploring a new style of mineralization not previously drilled –**April 2010**
- Geophysical Interpretation of the southern portion of the VTEM survey –**May 2010**
- Reconnaissance program to locate several holes drill by Rio Algom (1959) near the Pecors anomaly. Several holes located, particularly drill hole PW122 drilled to a depth of 450 meters located in the southwest corner of the Pecors anomaly –**June 2011**
- Geophysical Interpretation of the northwest portion of the VTEM survey – Pecors Anomaly –a 3 Dimensional Inversion Response. Further details can be reviewed in the news release as filed on SEDAR and on the Company website **–July 13, 2011**

2012 – 2017 Summary:

- **August 4, 2014 –** L.E. Reed Geophysical Consultant completes a report titled 'Report on a Review of Airborne EM & Magnetic Surveying on the Pecors Magnetic Anomaly'
- **April 2015 –** Orbit Garant Drilling Services Inc. ("Orbit") of Val D'Or, Quebec completes hole PDH-1 at 1,005m. Assays for 19 sampled intervals reported highly anomalous results – See May 25, 2015 news release as filed on SEDAR.
- **May 25, 2015 –** Ronacher McKenzie Geoscience completes a Petrographic Report on the Pecors drill samples.
- **June 2015 –** Orbit collars PDH-2 approximately 650m to the northwest of PDH-1 and drilled to a depth of 1,317m
- **June 2015 –** Lamontagne Geophysics Ltd. completed a BH UTEM 4 downhole probe report on PDH-1.
- **September 2015 –** Crone Geophysics & Exploration Ltd. completed a 3-D Borehole Pulse EM survey on PDH-2. The report is posted on the Company website and highlights were posted in a news release dated October 20, 2015 along with core assay results, and filed on SEDAR.
- **September 2016** – Exploration completed from March 2015 – May 2016 was filed for assessment work purposes and accepted by the Ontario Ministry of Northern Development and Mines keeping the property in good standing until November 2, 2020, with additional reserve dollars approved.
- **November 7, 2017 -** The Company signed a 'Services Agreement' with Geotech Ltd. to engage Geotech to conduct a 'helicopter borne' ZTEM geophysical survey over the Pecors anomaly.

2018 & 2019 Activity:

June 27, 2018 – Geotech Ltd. completes ZTEM helicopter survey over Serpent River-Pecors anomaly. Further to our news release of May 28, 2018 approximately 280 line km at 200m line spacing was completed, increasing further information to depths over 2000 metres. For further information review the news release as filed on SEDAR and on our website.

September 19, 2018 – Geotech Ltd. provided the Company with a final operations report on the ZTEM survey. The ZTEM appears to identify a deep, gently east dipping and north plunging conductive layer at a depth of ~750m that coincides with the magnetic anomaly. The feature layer that is centered on our Pecors area block, also remains open to the north. These results are encouraging, and a 3D inversion processing of the data is being completed. For further information review the news release as filed on SEDAR and on our website.

March 12, 2019 – Montoro received further positive results from the 2D ZTEM Survey & 3D Inversion on its Serpent River-Pecors (Ni-Cu-PGE) anomaly. The ZTEM appears to identify a deep, gently east dipping and north plunging conductive layer at a depth of ~750m that coincides with the magnetic anomaly. The feature layer that is centered on our Pecors area block, also remains open to the north. For further details, review the news release as filed on SEDAR and the Company website.

September 10, 2019 – The Company has retained Mira Geoscience Ltd. to compile the exploration data from the Pecors Lake project into its Geoscience ANALYST (3D) visualization and communication platform. The data will include:

- OGS Geochemistry survey, OGS petrographic study, OGS Earthlink data for drill holes completed by previous exploration companies such as Teck Resources, Rio Tinto, BHP and other junior explorers either near or on Montoro's Serpent/Pecors Lake claims.
- Government of Canada, Gravity and Magnetic airborne surveys for a regional geological/geophysical perspective.
- Montoro's Serpent River/Pecors Lake (22) exploration drill holes, with drill core geology and assays for P15-22 and P15-23 (depicted in a below the surface interactive 3D view)
- Lamontagne Geophysics, down hole electromagnetic probe for drill hole P15-22 (1km deep)
- Crones Geophysics down hole probe electromagnetic data for drill hole P15-23 (1.3km deep)
- Geotech's ZTEM 2018 survey, 3D inversion/interpretation data depicted in a below the surface interactive view.

For further details, review the news release as filed on SEDAR and the Company website.

(b) Duhamel Property – Saguenay-Lac-Saint-Jean Region -Quebec

January 26, 2018 – The Company entered into a Purchase Agreement (the "Agreement") to acquire a 100% interest in the Duhamel Property 200 km northwest of the city of Saguenay, Quebec. The Duhamel Property consists of nine (9) mineral claims comprising 500 ha located 14 km west of Arianne Phosphate Inc. – Lac a Paul open-pit phosphate mine. On February 6, 2018 the TSX Venture Exchange accepted the Agreement.

The Company is acquiring the Duhamel Property as a secondary property and will continue to focus exploration and development efforts on its wholly owned Serpent River – Pecors Ni-Cu-PGE discovery.

The property geology indicates sulphide mineralization associated to mafic magmatic intrusion. Previous exploration on the property carried by Virginia Gold Mines consisted of high definition airborne mag/EM survey, geological mapping, prospecting and drilling. Some results retrieved from the Quebec Mineral Assessment files indicated drill intersections and are detailed in the news release and filed on SEDAR and the Company website. All previous work is of a historical nature. The work was conducted prior to implementation of NI 43-101 standards and assay results cannot necessarily be relied upon. The Company confirmed the reported mineralization with the Company's own 2018 sampling program. Due to the results of the program, the Company staked 32 additional mineral claims adjoining the original Duhamel property.

In consideration for a 100% interest in the Duhamel Property, the Company will make the following payments:

(a) Paying to the Vendors the sum of $10,000 upon signing (**paid**);
(b) Issuing to the Vendors an aggregate of 1,000,000 common shares of the Company (**issued at a value of $55,000**);
(c) Paying to the Vendors an additional $50,000, or at the discretion of the Company, additional shares at 12 months from Exchange approval (**issued 1,000,000 shares valued at $60,000**);
(d) Paying to the Vendors an additional $50,000, or at the discretion of the Company, additional shares at 24 months from Exchange approval (**issued 1,000,000 shares valued at $35,000**);
(e) Incurring or funding $150,000 in Exploration on the Duhamel Property:
    (i) $25,000 on or before 12 months from Exchange approval (**Incurred**);
    (ii) An additional $50,000 on or before 24 months from Exchange approval; and
    (iii) An additional $75,000 on or before 36 months from Exchange approval. All common shares issued herein will be issued as fully paid and subject to such resale restrictions and hold periods as may be imposed by applicable securities legislation and the Exchange.

In connection with the acquisition, the Company has agreed to pay finder's fees in stages.

January 15, 2019 - The Company received a report from Magnor Exploration Inc. regarding completion of the initial fall reconnaissance and sampling program. A senior geologist and a technical assistant took samples from old and new prospective areas throughout the property as well as reviewing additional access routes into the property. A total of 12 grab samples were shipped to ALS Geochemistry Labs in Val d'Or, Quebec for a 41 element Aqua Regia ICP-AES analysis including nickel, copper, cobalt, vanadium, titanium and chromium. Further stripping and channel sampling to follow the EM conductor and the massive magnetic band (MOX) in this area is recommended.

The Magnor compilation work located new significant sulphide mineralization in mafic and ultramafic intrusive bodies in unexplored areas in Duhamel and Houlière blocks, also comprising unexplored massive bands of iron-titanium (vanadium potential) oxides. Several other potential Ni-Cu-Co and Fe-Ti-V areas will be visited as early as possible in 2019.

The original Duhamel Property consisted of nine (9) contiguous mineral claims comprising 500 ha located 13 km west of Arianne Phosphate Inc. – Lac à Paul world class phosphate development stage deposit. Montoro has staked an additional thirty-two (32) mineral claims to the south and northwest following new data acquisition and compilation that includes the Houlière Lake Ni-Cu-Co (Ti, V, Cr) property. The expanded Duhamel Ni-Cu-Co and Titanium, Vanadium, Chromium property now totals approximately 2,300 ha.

Details of the property can be found at www.montororesources.com/docs/Compilation-of-Historic-Works-NI-CU-CO-Duhamel-Property-2018.pdf

Conclusions: The Company is planning an expanded program in summer 2019 which should include: Further historical work compilation & geology reinterpretation; including verification of historical showings and drillhole locations in the field; prospecting new sulfides and MOX occurrences; geophysics; field exploration, mapping, and soil geochemistry; and trenching.

February 19, 2019 – The Company issued 1,000,000 shares valued at $60,000 in lieu of a $50,000 cash payment due on the anniversary of TSX approval.

February 20, 2020 – The Company issued 1,000,000 shares valued at $35,000 in lieu of a $50,000 cash payment due on the 2nd anniversary of TSX approval.

(c) Wicheeda North – Northeast of Prince George, British Columbia

February 6, 2019 – The Company has entered into acquisition agreements with various vendors, to acquire four (4) contiguous MTO cell claims in the Cariboo Mining Division, B.C., with one claim block adjoining the well-known Wicheeda rare earth mineral project. The Claim block covers approximately 1,444.06 ha. Details of the Wicheeda North Agreement as follows:

- Pay the Vendors an aggregate of $50,000 as follows:
    - (i) $25,000 upon Exchange approval (**Paid**);
    - (ii) $25,000 within one year of signing the agreement.
- Issue to the Vendors an aggregate of 1,000,000 units upon Exchange approval. Each Unit consists of one common share of the Company and one transferable share purchase warrant (the "Warrant") entitling the holder to acquire a further common share of the Company at a price of $0.10 for two years from issuance **(Issued**).
- Agree to a 2% Net Smelter Return Royalty ("NSR"). The Company may acquire one-half of the NSR for $1 million within five years of the Agreement Date.

Further details of the property; including location, geology and area discoveries can be reviewed in the news release as filed on SEDAR and on the Company website.

April 11, 2019 – Montoro expands information on Wicheeda North –Rare Earth Element (REE) project. See news release as filed on SEDAR and the Company website. The Company contracted Campbell & Walker Geophysics Ltd.- Christoper (Kit) Campbell and Sean Walker to complete a 3D inversion of the airborne electromagnetic and magnetic data previous completed by Montoro in 2010.

May 1, 2019 – Montoro receives NI 43-101 Report on Wicheeda North. Mr. Robert (Bob) Lane, P.Geo., reports. See news release as filed on SEDAR and the Company website. The Report can also be found on the Wicheeda North property page.

June 12-30, 2019 – The Company engaged Plateau Minerals Corp. (Robert Lane) to complete an extensive sampling (soil and rock) program and field work on a number of grids on the property.

July 24, 2019 – Following the acquisition of the original four (claims), the vendors then transferred a further four (4) contiguous MTO cell claims comprising 562.59 ha. for a total of 2006.65 ha. The Company acquired one (1) additional claim - 131.248 ha adjoining the claim block on its northwest corner from a non-related vendor; for a total of <u>2,137.901 ha.</u> Plateau Minerals submitted 535 samples to MSA LABS in Langley, B.C. for analysis.

(d) Camping Lake Property – Red Lake, Ontario

December 9, 2019 - The Company entered into an agreement to acquire up to 75% interest in five mineral claims in Red Lake Mining District, Ontario. To earn a 51% interest the Company will

- issue 1,000,000 common shares upon Exchange acceptance (issued at a value of $35,000);
- issue a further 500,000 common shares on the first anniversary of Exchange acceptance.

The Company will make staged cash payments totaling $65,000 over four years, incur $100,000 in exploration expenditures before October 31, 2020, and a further $200,000 in expenditures by October 31, 2021. Upon earning the initial 51% interest, the Company has the option to acquire a further 24% for a cash payment of $500,000. The agreement is subject to a 2% net smelter royalty to the vendors.

(e) Other Mineral Interests

The Company holds certain interests in the following properties; however they are no longer management's primary focus:

(i) **South Trend/Overtime** –Ungava, Ragland area, Quebec: Montoro holds a 1% NSR royalty (with a $1 million buyout provision).

(ii) **Crackingstone** –Northern Mining District, Uranium City-Saskatchewan: Montoro holds a 50/50 interest with Belmont Resources Inc. in two claim blocks comprising 982 ha. **The Companies are pursuing potential joint venture partners to continue exploration on these properties.**

(iii) **Triangle and Orbit Lakes** –Northern Mining District, Uranium City-Saskatchewan: Montoro holds a 50/50 interest with Belmont Resources Inc. in claim blocks totaling 11,109 ha. The Companies are pursuing potential joint venture partners to continue exploration of these properties. **On January 14, 2019 the claims lapsed and reverted back to the Saskatchewan government. The balance of $1 has been written-off during the year ended August 31, 2019.**

(iv) **Cup Lake/Donen Claims – Greenwood Mining Division – British Columbia**
The Company is working with the Vendor to resolve its claim for compensation from the Province of B.C. for the expropriation of the Company's interest in the Cup Lake/Donen property.

(e) Other

<u>Director Appointment</u>

On August 25, 2016 the Company announced the appointment of Mr. Fraser Rieche of Vancouver, B.C. to the Board of Directors. Mr. Rieche has a BA in Economics and has 25 years' experience in international project management, logistics planning and corporate finance having worked with resource-based industries and financial institutions worldwide. For further details on his experience, please review the news release as filed on SEDAR and posted on our website.

<u>Advisory Board</u>

May 7, 2014. The Company announced the establishment of an Advisory Board in the appointment of Gregory J. Campbell from Ontario. Mr. Campbell has had a 40 year career in the geological field. Greg

Campbell was granted a Hon. B.Sc. in Geology, followed by a MSc. Degree from Laurentian University in Sudbury, Ontario. For additional information on Mr. Campbell's experience, review the detailed news release on our website or as filed on SEDAR.

Registered & Records Office

The Company has moved its Registered and Records Office to Owen Bird Law Corporation, 29th Floor, Three Bentall Centre, 595 Burrard Street, Vancouver, B. C. V7X 1J5

Investor Relations & Other

January 8, 2018 the Company announced that it has been assigned the Legal Entity Identifier ("LEI") number 529900IK4FY2BJ4Q3S30. The European Union has adopted regulations that require use of the LEI as a barcode equivalent aimed at pinpointing systemic risks.

January 15, 2019. The Company engaged 360 Aviation Services Inc. ("360") of Vancouver, B.C. to conduct investor relations on behalf of the Company for a one year contract. Details of the services to be provided can be reviewed on SEDAR and in the news release dated February 6, 2019. Compensation to 360 will be Cdn. $2,500 + GST per month for the first six months and increased to $3,000 for the following six months. A $5,000 signing bonus was also paid.

February 12, 2019. The Company received TSX Venture Exchange (the "Exchange") acceptance for filing the Investor Relations Agreement with 360.

Annual General Meeting & Stock Option Plan- 2019

On June 27, 2019 the Company held its Annual General Meeting. All motions detailed in the Information Circular dated May 23, 2019 were approved including the appointment of the directors, Gary Musil, Roger Agyagos, Brent Griffin, and Fraser Rieche. At the Directors Meeting following, the directors re-appointed Gary Musil as President/CEO and Fraser Rieche as Corporate Secretary/CFO for the upcoming year. Further details can be reviewed in the news release as filed on SEDAR and on the website.

1.3 Selected Annual Information

		Year-ended August 31, 2019	Year-ended August 31, 2018	Year-ended August 31, 2017
a.	Net Sales or Total Revenues	$Nil	$Nil	$Nil
b.	Net Income or (Loss) before Other Items	($373,763)	($388,521)	($193,524)
c.	Comprehensive Income or (Loss) in total	*($373,762)	**($370,532)	***($193,339)
d.	Net Income or (Loss) per fully diluted share basis	($0.01)	($0.02)	($0.01)
e.	Total Assets	$2,542,398	$2,275,273	$2,041,998
f.	Total long-term financial Liabilities	$Nil	$Nil	$Nil
g.	Cash dividends declared per share	N/A	N/A	N/A

* The final quarter of the year ended August 31, 2019 recorded a major increase in operating expenses for the year due to travel and promotion of $92,428 ($22,848 - 2018) and consulting fees increase to $30,350 compared to $6,826 in 2018.

**The final quarter of the year ended August 31, 2018 recorded share-based payment expense of $118,224 The major increase in operating expenses for the year was related to share-based payment of $118,224 ($Nil - 2017) and professional fees increased to $61,266 compared to $20,203 in 2017. A Gain on debt settlement reduced the comprehensive loss by $21,243 ($17,434 in 2017).

*******The final quarter of the year ended August 31, 2017 recorded an impairment of exploration and evaluation assets accounting for ($11,249) compared to ($92,176) in the previous year ended August 31, 2016. The major decrease in operating expenses for the year was related to Travel & Promotion $8,584 ($47,057 -2016); Professional Fees $20,203 ($38,075 – 2016) related to reduced legal and accounting transactions completed during the current year; and Consulting Fees –Nil ($16,080 in 2016).

1.4 Results of Operations up to and including the Quarter Ended February 29, 2020:

The Company reports its financial statements in accordance with International Financial Reporting Standards ("IFRS"). The Company's MD&A are presented in Canadian dollars and are intended to provide a reasonable basis for the investor to evaluate the Company's development and financial situation. A significant part of the Company's value is in Resource Property Interests relating to the Serpent River-Ontario project and recently re-acquired Wicheeda North –British Columbia project.

For the period ended February 29, 2020, the Company reported in its Statement of Operations a Total comprehensive loss of ($222,717) compared to a Total comprehensive loss of ($191,991) for the six months period ended February 28, 2019. **Total operating expenses increased by $30,726 (approx. 16.0% for the period ended February 29, 2020 compared to the period ended February 28, 2019.**

The Company has no producing properties, and consequently no sales or revenues.

Operating Expenditures for the six month period ended February 29, 2020 with comparatives to February 28, 2019:

Increases were in:

- **Bank and Interest charges $1,976 in 2020 ($1,558 in 2019) relating to overdue charges on certain accounts payable.**
- **Consulting fees of $86,300 in 2020 ($27,550 in 2019) relating to new property reviews and recommendations.**
- **Loan Interest $15,999 accrued in 2020 ($14,456 in 2019) increased as a result of compounding and an additional loan.**
- **General office operations and overhead including Rent, Telephone, and Office miscellaneous increased to $21,356 in 2020 ($19,538 in 2019).**
- **Salaries and Benefits were $3,238 in 2020 ($2,321 in 2019). The Company paid management fees in the current period and therefore incurred the Company portion of CPP and EI withholdings.**
- **Travel and promotion $38,463 in 2019 ($7,325 in 2018) was due to increased costs relating to the corporate website and internet presence, including conference participation; as well as new investors relations engagements.**

Decreases were in:

- **Filing and Transfer Agent Fees $14,873 in 2020 ($19,554 in 2019) decreased due to fewer transactions (ie., private placements, and property transactions) and related transfer agent share issuance fees.**
- **Professional fees of $7,712 in 2020 ($29,242 in 2019), Fees have been incurred, however have not been invoice.**
- **Share-based payment of $nil in 2020 ($20,963).**

Management Fees of $30,000 in 2020 ($30,000 in 2019) remained the same since the increase of $500 per month on February 1, 2012. In February 2018 the agreement was renewed for an additional two years at the same monthly fee.

1.5 Summary of Quarterly Results:

The following table sets forth selected (unaudited) quarterly financial information for each of the last eight most recently completed quarters:

For the Quarterly Periods Ending on	**February 29, 2020**	**November 30, 2019**	**August 31, 2019**	**May 31, 2019**
Total Revenues	$Nil	$Nil	$Nil	$Nil
Net Income (Loss) before Other Items	($163,298)	($59,418)	($89,567)	($92,206)
Total Comprehensive Income (Loss) per quarter	($163,298)	($59,418)	($89,566)	($92,206)
Basic and diluted Net (Loss) per share	($0.00)	($0.00)	($0.00)	($0.00)

For the Quarterly Periods Ending on	**February 28, 2019**	**November 30, 2018**	**August 31, 2018**	**May 31, 2018**
Total Revenues	$Nil	$Nil	$Nil	$Nil
Net Income (Loss) before Other Items	($134,699)	($57,291)	($75,449)	($55,159)
Total Comprehensive Income (Loss) per quarter	($134,700)	($57,291)	($55,258)	($57,361)
Basic and diluted Net (Loss) per share	($0.00)	($0.00)	($0.00)	($0.00)

February 29, 2020 – the major increase in the quarter was due to an increase in consulting fees of $86,300 ($24,750 in 2019) The major decrease was due to share-based payment of $nil ($20,963 in 2019).

November 30, 2019 – the major difference in the first quarter was due to an increase in promotion and investor relations to $19,440 ($7,325 in 2018).

August 31, 2019 – the major difference in the final quarter was due to an increase in promotion and investor relations of $26,903 ($10,767 in 2017).

May 31, 2019 – the major increases in the quarter was due to promotion/investor relations of $37,267 ($3,804 in 2018) and filing and transfer agent fees of $9,907($1,358 in 2018).

1.6 Liquidity:

At February 29, 2020**,** the Company had a working capital deficiency of $890,030. At August 31, 2019 the Company had a working capital deficiency of $817,083. It should be noted that a considerable amount of the liabilities are due to related parties comprising $287,241 owing to the CEO/President as accrued salary and expenses; and $133,781 to a Company with directors and officers in common. The amounts are non- interest bearing.

The Company has minimum working capital to continue administrative operations, and will continue to raise financing in order to provide care and maintenance on its mineral properties and further financing if available to continue developing its mineral properties. The Company also continues to search for joint venture partners in order to develop some of its mineral prospects (**See Crackingstone and Serpent River (Uranium and Rare Earth Elements; as well as Nickel, Copper) Properties – previous Section 1.2 Mineral Interests).**

See Subsequent Events Section 1.14-A (vi) following for further details.

1.7 Capital Resources:

The Company's sources of funds are derived from: (i) private placement financings (flow through and non-flow through); (ii) loans; and (iii) disposition of a portion or all of its mineral prospects. There can be no assurance, however, that the Company will be able to obtain required financing in the future on acceptable terms.

Financings and Share Issuances/Transactions:

(i) During the second quarter ended February 29, 2020 the Company issued:

- **On December 18, 2019, 175,000 common shares pursuant to the exercise of options for total proceeds of $10,500.**
- **On January 14, 2020, 1,000,000 common shares valued at $35,000 in consideration for mineral property acquisition.**
- **On January 16, 2020, 80,000 common shares valued at $2,800 in consideration of a $20,000 promissory note issued on December 23, 2019.**
- **On February 6, 2020, 5,465,000 units were issued at a price of $0.035 per unit for total proceeds of $191,275. The unit financing consisted of one common share and one transferable common share purchase warrant. One warrant will entitle the holder to purchase one additional common share of the Company at a price of $0.05 per share until February 6, 2022.**
- **On February 20, 2020, 1,000,000 common shares valued at $35,000 in consideration for mineral property acquisition.**

(ii) During the first quarter ended November 30, 2019 the Company issued:

- **Nil** – Common Shares

Cash balances increased by $12,821 during the six months ended February 29, 2020 and decreased by $18,804 during the comparative six months ended February 28, 2019.

During the six months ended February 29, 2020, net cash used in operating activities was $162,009 compared to net cash used in operating activities of $106,169 during the six months ended February 28, 2019.

Net cash used in investing activities during the six months ended February 29, 2020 was $92,634 compared with cash used in investing activities of $11,979 during the six months ended February 28, 2018.

Cash provided from financing activities including amounts due to related parties during the six months ended February 29, 2020 was $267,464 compared with cash provided by financing activities of $100,064 during the six months ended February 29, 2020.

As of February 29, 2020, the Company had shareholders' equity of $1,729,414. The capital to date was from proceeds of the issuance of common shares. **The Company did not have any revenues during the six months ended February 29, 2020.**

1.8 Off-Balance Sheet Arrangements:

The Company has no long-term debt, does not have any used lines of credit or other arrangements in place to borrow funds, and has no undisclosed off-Balance Sheet Arrangements.

1.9 Transactions with Related Parties:

The Company shares office facilities and has common management and directorships with a number of public and private corporations. The Company is charged for office rentals and office services on a proportional cost basis. **Charges of $19,146 (2019 – $19,781) were incurred in the year with a related company.** Management believes that the methods of cost allocations and resultant costs are reasonable.

These related party transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Amounts owing to related parties is unsecured, non-interest bearing and have no specific terms for repayment.

The Company has renewed the management services agreement with the President/CEO for $5,000 per month effective February 1, 2018, for a further two-year term. **During the six months ended February 29, 2020 a total of $30,000 (2019 - $30,000) was accrued.**

The Company and Belmont Resources Inc. (a public company related through common directors), are 50:50 joint venture partners in the Crackingstone, Saskatchewan Project. Belmont has acted as the operator and incurs the expenditures for the project and invoices Montoro 50% of the costs plus 5% administration fee. **No new charges were incurred during the six months ended February 29, 2020 for exploration programs on the joint Crackingstone properties near Uranium City, Saskatchewan.**

Amounts due to related parties:

	February 29, 2020	August 31, 2019
Gary Musil, CEO/President	$ 287,241	$ 268,514
Belmont Resources Inc.	133,781	120,994
	$ 421,022	$ 389,508

1.10 Proposed Transactions/Commitments:

In order for the Company to maintain its interests in its mineral properties, it will be required to make the following option payments:

(i) Duhamel Property, Quebec: Incurring $50,000 in exploration by February 6, 2020 (deferred).
(ii) **Camping Lake Property, Ontario: Cash payments totaling $65,000 over four years; incur $100,000 in exploration expenditures before October 31, 2020 and an additional $200,000 by October 31, 2021; issuance of 500,000 common shares by January 14, 2021.**

1.11 Critical Accounting Estimates:

Our financial statements have been prepared in conformity with International Financial Reporting Standards ("IFRS") and form the basis for discussion and analysis of critical accounting policies and estimates. Management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Significant financial statement areas requiring the use of management estimates relate to the determination of impairment of assets and resource property interests, and their useful lives for amortization, the fair value of investments and share-based compensation. Financial results as determined by actual events could differ materially from those estimates.

Risk management:

The Company's mineral property holdings and exploration activities create potential exposure to environmental liabilities, including site reclamation. The Company is currently in the initial exploration stages on its Canadian property interests and management has not determined whether significant site reclamation costs will be required. The Company records liability for site reclamation when determinable on a systematic accrual basis in the period in which such costs can be reasonably determined.

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities as they come due. Due to current economic conditions in capital markets the Company has a high risk associated with liquidity. The Company does not hold complex financial instruments or significant long-term assets.

1.12 Changes in Accounting Policies including Initial Adoption:

The Company has adopted the following new and revised accounting pronouncements:

IFRS 9 Financial Instruments – The Company adopted, retrospectively without restatement, all of the requirements of IFRS 9: Financial Instruments ("IFRS 9") as of September 1, 2018. This standard replaces the guidance in IAS 39: Financial Instruments: Recognition and Measurements ("IAS 39"). The adoption of IFRS 9 did not impact the carrying value of any of the Company's financial assets or financial liabilities on the transition date. The impact on the classification and measurement of its financial instruments is set out below.

IFRS 9 includes finalized guidance on the classification and measurement of financial assets. Under IFRS 9, financial assets are classified and measured at amortized cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL"). The classification depends on the purpose for which the financial instruments were acquired. Management determines the classification of its financial instruments at initial recognition. IFRS 9 largely retains the existing requirements in IAS 39 - Financial Instruments: Recognition and Measurement ("IAS 39"), for the classification and measurement of financial liabilities. All financial assets not classified at amortized cost or FVOCI are measured at FVTPL.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated at FVTPL:

- It is held within a business model whose objective is to hold the financial asset to collect the contractual cash flows associated with the financial asset instead of selling the financial asset for a profit or loss; and
- Its contractual terms give rise to cash flows that are solely payments of principal and interest.

IFRS 9 introduced a single expected credit loss impairment model for financial assets measured at amortized cost and for debt instruments at FVOCI, which is based on changes in credit quality since initial recognition. The adoption of the expected credit loss impairment model did not have a significant impact on the Company's financial statements.

The requirements of IAS 39 for classification and measurements of financial liabilities were carried forward in IFRS 9, so the Company's accounting policy with respect to financial liabilities is unchanged.

All financial instruments are initially recognized at fair value on the statement of financial position. Subsequent measurement of financial instruments is based on their classification. Financial assets and liabilities classified at FVTPL are measured at fair value with changes in those fair values recognized in profit or loss in the statement of comprehensive loss for the period. Financial assets and financial liabilities classified at amortized cost are using the effective interest method.

The Company completed a detailed assessment of its financial assets and liabilities as at September 1, 2018. The following table shows the original classification under IAS 39 and the new classification under IFRS 9:

Financial assets/liabilities	Original classification (measurement) IAS 39	New classification and measurement IFRS 9
Cash	Loans and receivables (amortized cost)	Amortized cost
Due from related party	Loans and receivables (amortized cost)	Amortized cost
Accounts payable and accrued liabilities	Other financial liabilities (amortized cost)	Amortized cost
Promissory notes	Other financial liabilities (amortized cost)	Amortized cost
Due to related parties	Other financial liabilities (amortized cost)	Amortized cost

The Company did not restate prior periods as it recognized the effects of retrospective application to shareholders' equity at the beginning of the 2018 annual reporting period, which also includes the date of initial application. The adoption of IFRS 9 resulted in no impact to the opening accumulated deficit on September 1, 2018.

IFRS 16 Leases - IFRS 16 was issued in January 2016 and specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. This standard is effective for reporting periods beginning on or after January 1, 2019. Adoption of the new standard is not expected to impact the financial statements.

1.13 Financial & Other Instruments:

The Company's financial instruments consist of cash, amounts due to related parties, promissory notes, and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from the financial instruments. The fair value of these financial instruments approximates their carrying value due to their short-term maturity or capacity of prompt liquidation.

1.14 Other MD&A Requirements:

Additional disclosure of the Company's material documents, information circulars, material change reports, news releases, and other information related to the Company can be obtained on SEDAR at www.sedar.com as well as the Company's website www.MontoroResources.com

A. SUBSEQUENT EVENTS FROM FEBRUARY 29, 2020 TO DATE:

(i) Warrants Exercised/Expired/Repriced: Nil.

(ii) Options Exercised/Expired: Nil

(iii) Grant of Options: Nil

(iv) Termination of Options: Nil

(v) Other Transactions and News Releases:

On April 14, 2020 the Company issued a total of 1,615,000 units at $0.035 per unit for total gross proceeds of $56,525. The unit financing consisted of one common share and one transferable common share purchase warrant. One warrant will entitle the holder to purchase one additional common share of the Company at a price of $0.05 per share until April 14, 2022. Finder's fees of $2,800 cash were paid and 80,000 non-transferable broker's warrants were paid.

B. AUTHORIZED AND ISSUED SHARE CAPITAL AS AT APRIL 29, 2020:

Authorized – Unlimited common shares without par value
Issued and Outstanding: 47,542,105 common shares

C. OPTIONS, WARRANTS & CONVERTIBLE SECURITIES OUTSTANDING AS AT APRIL 29, 2020:

The following options, warrants, and convertible securities were outstanding as at April 29, 2020:

(i) Options

Number	Exercise Price	Expiry Date
1,655,000	$0.06	January 8, 2021
1,655,000		

(ii) Warrants

Number	Exercise Price	Expiry Date
1,465,000	$0.08	September 18, 2020
2,300,000	$0.10	March 20, 2021
2,130,000	$0.10	April 4, 2021
1,000,000	$0.10	May 29, 2021
1,010,000	$0.08	July 25, 2021
5.545,000	$0.05	February 6, 2022
1,615,000	$0.05	April 14, 2022
15,065,000		

D. EVALUATIONS OF DISCLOSURE CONTROLS AND PROCEDURES

Based on our evaluation **for the period ended February 29, 2020**, and up to the date of this Management Discussion and Analysis, we have concluded that our disclosure controls and procedures are sufficiently effective to provide reasonable assurance that material information required to be disclosed in the Company's interim and annual filings and other reports filed or submitted under Canadian securities laws are recorded, processed, summarized and reported within the time periods specified by those laws and that the material information is accumulated and communicated to Management of the Company, including the President and Chief Financial Officer, as appropriate to allow timely disclosure regarding required disclosure.

E. CORPORATE GOVERNANCE DISCLOSURES

The Company has submitted to its members and shareholders details in the Information Circular of **May 23, 2019** Corporate Governance Disclosure guidelines that have been presented to the Board of Directors for period review. Some of those guidelines are: Outlining the Company's business and implementation of appropriate systems to manage any associated risks, communications with investors and the financial community and the integrity of the

Company's internal control and management information systems. The Management of the Company periodically updates directors with regulatory policy changes. The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company. The Company's Information Circular can be reviewed on www.Sedar.com

F. RISKS AND UNCERTAINTIES

The Company's principal activity is mineral exploration and development. Companies in this industry are subject to many and varied kinds of risks, including but not limited to, environmental, metal prices, political and economical. The Company has no producing properties, no significant source of operating cash flow and consequently no sales or revenue from operations. The Company has either not yet determined whether its mineral properties contain mineral reserves that are economically recoverable or where reserves have been determined, mining operations have not yet commenced. The Company has limited financial resources. Substantial expenditures are required to be made by the Company to establish reserves.

The property interests in whom the Company has an option to earn an interest are in the exploration stages only, are without and may not result in any discoveries of commercial mineralization, and have no ongoing mining operations. Mineral exploration involves a high degree of risk and few properties, which are explored, are ultimately developed into producing mines, the result being the Company will be forced to look for other exploration projects. The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous materials and other matters.

Subsequent to February 29, 2020, there was a global pandemic outbreak of COVID-19. The actual and threatened spread of the virus globally has had a material adverse effect on the global economy and; specifically, the regional economies in which the Company operates. The pandemic could continue to have a negative impact on the stock market, including trading prices of the Company's shares and its ability to raise new capital. These factors, among others, could have a significant impact on the Company's operations.

INTERNATIONAL MONTORO RESOURCES INC.

CORPORATE DATA

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Listings

TSX Venture Exchange
Symbol: IMT

Frankfurt Stock Exchange
Symbol: O4T1

Share Capitalization
(February 29, 2020)

Authorized: Unlimited
Issued & Outstanding: 45,927,105