CHAKANA COPPER CORP.

MANAGEMENT'S DISCUSSION & ANALYSIS ("MD&A")

FOR YEAR ENDED MAY 31, 2019 AND
FOR THE NINE MONTHS ENDED MAY 31, 2018 (RESTATED)

(EXPRESSED IN CANADIAN DOLLARS)

GENERAL

This Management's Discussion and Analysis ("MD&A") of Chakana Copper Corp. (formerly Remo Resources Inc.) (the "Corporation". "Chakana," or "Remo") dated November 15, 2019, provides an analysis of the Corporation's financial results for year ended May 31, 2019 and the nine months ended May 31, 2019 (being the first financial year-end after the Reverse-Takeover Transaction (see below)). The following information should be read in conjunction with the accompanying audited consolidated financial statements for year ended May 31, 2019 with accompanying notes which have been prepared in accordance with International Financial Reporting Standards ("IFRS").

All dollar figures are expressed in Canadian dollars unless otherwise stated. The Corporation's financial statements and MD&A are available on www.sedar.com.

COMPANY OVERVIEW

Chakana Copper Corp. was incorporated on May 2, 2011, under the laws of the province of British Columbia, Canada, and changed its name from Hadrian Resources Inc. on August 4, 2011 and changed its name to Chakana Copper Corp. on January 30, 2018. The Corporation is a mineral exploration company listed on the TSX Venture Exchange ("TSX-V") under the symbol "PERU". The Corporation is currently engaged in the exploration and development of mineral properties, with prospects for silver, gold, and copper in Peru.

The head office, principal address is located at 800 West Pender Street, Suite 1430, Vancouver, British Columbia, V6C 2V6, Canada and records office of the Corporation is located at 1055 West Pender Street, Suite 1500, Vancouver, British Columbia, V6E 4V7, Canada.

REVERSE-TAKEOVER TRANSACTION

On January 30, 2018, the Remo completed the acquisition of Chakana Copper Corp. ("Chakana"), a private British Columbia corporation incorporated on December 1, 2016. Chakana's wholly-owned subsidiary, Chakana Resources S.A.C, a limited liability company formed under the laws of Peru on December 1, 2016, holds an option to acquire 100% interest in the Soledad Project and is the operator of all related mineral exploration activities. The Corporation acquired all of the issued and outstanding shares of Chakana through a three-cornered amalgamation involving a wholly-owned British Columbia subsidiary of the Corporation and Chakana (the "Transaction"). In connection with the Transaction, the Corporation consolidated its common shares on the basis of one-post consolidation common share for each 6.865385 pre-consolidation common shares (the "Consolidation") and changed its name to "Chakana Copper Corp."

RESTATEMENT OF PREVIOUSLY ISSUED CONSOLIDATED STATEMENTS

The Corporation has restated its consolidated statements of financial position as at May 31, 2018; its consolidated statement of comprehensive loss, consolidated statements of cash flows, and consolidated statement of changes in shareholders' equity for the nine months ended May 31, 2018.

In the course of preparing the Corporation's consolidated financial statements for the year ended May 31, 2019, the following errors were discovered pertaining to the nine months ended May 31, 2018:

- Overstatement of $120,170 in prepaid expenses and an understatement of equipment, exploration and evaluation assets and exploration and evaluation expenditures;
- Understatement of $158,675 in equipment and exploration assets and an overstatement of exploration and evaluation expenditures and prepaid expenses;
- $79,746 value-added tax receivables was incorrectly classified as a current asset;
- The Corporation realized a loss of $120,169 as a result of funds that were misused by a former employee of the Corporation, of which a settlement agreement has subsequently been reached.

As a result, the following adjustments were made to the comparative consolidated financial information as at and for the nine months ended May 31 ,2018:

(expressed in Canadian Dollars)		**As Reported**		**Adjustment**		**Restated**
Statement of financial position						
Prepaid expenses and other receivables	$	574,721	$	(199,916)	$	374,805
Exploration and evaluation assets		606,975		33,747		640,722
Equipment		348,198		124,928		473,126
Value-added tax receivables		-		79,747		79,747
Statement of loss and comprehensive loss						
Exploration and evaluation expenditures	$	(4,679,410)	$	158,675	$	(4,520,735)
Misuse of funds		-		(120,169)		(120,169)
Net loss	$	(8,476,508)	$	38,506	$	(8,438,002)
Basic and diluted loss per share	$	(0.15)	$	0.01	$	(0.14)
Consolidated Statement of Cash Flows						
Net loss	$	(8,476,508)	$	38,506	$	(8,438,002)
Increase in prepaid and other current assets		(527,250)		199,916		(327,334)
Increase of value-added taxes receivable		-		(79,747)		(79,747)
Cash Flows used in Operations	$	(6,893,179)	$	158,675	$	(6,734,504)
Purchase of equipment	$	(312,467)	$	(124,928)	$	(437,395)
Acquisition of exploration and evaluation assets		(574,220)		(33,747)		(607,967)
Cash flow used in Investing Activities	$	(886,687)	$	(158,675)	$	(1,045,362)
Statement of changes in equity						
Deficit at the end of the year	$	(9,680,237)	$	38,506	$	(9,641,731)

LOSS DUE TO MISUSE OF FUNDS

During the preparation of the May 31, 2019 financial statements, management identified numerous unsupported transactions within Chakana's wholly-owned subsidiary, Chakana Resources S.A.C. As a result, senior management undertook a thorough investigation into the matter which included traveling to Peru and gathering information on the unsupported transactions.

As a result of the investigation, management determined that an employee, who is now a former employee, had misused the Corporation's funds in Peru. The funds were misused for the personal benefit of the former employee through a series of unauthorized cash payments many of which were supported with falsified vendor invoices and documentation.

Management has examined its accounts and records and quantified the loss pertaining to the misuse as follows:

- $120,169 during the nine months end May 31, 2018;
- $368,886 during the year end May 31, 2019; and
- $80,643 during the period from June 1, 2019 to September 16, 2019 (date of termination).

The misuse loss for the nine months ended May 31, 2018 has resulted in the restatement of the Consolidated Statement of Loss and Comprehensive loss.

The Corporation terminated the former employee on September 18, 2019, upon completion of the investigation. Due to the impracticalities of recovering the misused funds, the Corporation reached a settlement agreement with the former employee, signed October 4, 2019, to return to treasury for cancellation 4,000,000 common shares of the Corporation as reimbursement for the misused funds and related loss to the Company. The estimated fair value of the common shares on the settlement date was equal to $780,000. These shares represent 100% of the former employee's shareholding in the Corporation. Additionally, on termination, all 1,000,000 of the former employees share purchase options, issued September 17, 2017, were cancelled.

The misuse loss has resulted in the restatement of the consolidated statement of loss and comprehensive loss for the nine months ended May 31, 2018.

For accounting and financial reporting purposes, the recovery of the Corporation's common shares is treated as cancellation of treasury shares within components of shareholders' equity, rather than the recovery of the loss due to misuse of funds. Management believes that the cancellation of the 4,000,000 common shares of the Corporation will partially offset the misuse loss given their estimated market value. Management also believes the cancellation of 4,000,000 treasury shares will further facilitate an orderly capital markets for the Corporation by avoiding the sale of these shares by the former employee to recover any cash compensation paid to the Corporation and reduce the outstanding shares of the corporation thereby correspondingly reducing dilution per issued common share. Management has made immediate ratifications and improvements to internal accounting controls to prevent future overriding of policies and procedures and reduce the risk of reoccurrence.

GENERAL OVERVIEW OF MARKET CONDITIONS

During the year ended May 31, 2019, gold and silver prices were relatively stagnant, with gold trading between $1,275 per ounce and $1,350 per ounce, closing at $1,340 per ounce, and silver trading between $14 per ounce and $16 per ounce, closing at $15 per ounce. Since mid-June 2019 to the date of this report gold and silver prices have increased significantly but remain volatile, while copper and zinc prices have continued to decline.

The uncertain economic conditions combined with lower precious and base metal prices during calendar 2018 and first half of calendar 2019 has created a challenging environment for the resource and exploration sectors focused on these metals. As a result, many junior/exploration-stage companies have experienced downward pressure in share prices. In addition, the Republic of Peru underwent changes in government policies creating unanticipated delays in the mine permitting thus exacerbating investor concerns. The market capitalization of the Corporation is impacted by all these factors. Also, certain re-sell restrictions on the Corporation's common shares expired resulting in an over-hang of stock held by previous private placement subscribers. Notwithstanding these factors, the improvement in gold and silver prices since mid-June 2019 has provided renewed optimism and better market conditions for the larger mining companies, which has started to improve conditions for the earlier stage exploration companies. This has provided better opportunities for funding and more activity in the precious metals exploration sector.

COMPLETION OF $8 MILLION STRATEGIC INVESTMENT FROM GOLD FIELDS LIMITED

On May 13, 2019, the Corporation completed a private placement with Gold Fields Nazca Holdings Inc., a group company of Gold Fields Limited ("Gold Fields"), pursuant to which a wholly-owned subsidiary of Gold Fields has acquired 16.14% interest in the Corporation. The private placement involves the issue of 15,686,275 common shares of the Corporation at a price of $0.51 per Chakana Share for total gross proceeds of $8,000,000.

Gold Fields is a globally diversified gold producer with eight operating mines and two projects in Australia, Chile, Peru, and South Africa, with total attributable annual gold equivalent production of approximately 2 million ounces. Gold Fields has a primary listing on the Johannesburg Stock Exchange (JSE) Limited, with secondary listings on the New York Stock Exchange (NYSE).

EXPLORATION AND EVALUATION EXPENDITURES

The Corporation is engaged in investigation, evaluation and exploration activities in the Peru. The Corporation's wholly-owned indirect subsidiary Chakana Resources S.A.C. holds (i) the option to acquire 100% ownership interest in the Soledad Project ("Condor Option"), (ii) holds an option to acquire 100% ownership interest in the adjacent Aija Project, and (ii) holds an option to acquire up to 100% ownership in other adjacent mineral concessions owned by Minera Barrick Misquichilca S.A. ("Barrick Option"). All three options are collectively referred as the "Soledad Project." The Corporation is the operator of all related mineral exploration activities on these projects. Results of exploration at Soledad are summarized under Results of Operations.

Acquisition costs of the Soledad Project are as follows:

		Condor Option		**Aija Project**		**Total**
Balance – August 31, 2017	$	32,755	$	-	$	32,755
Acquisition costs		406,820		201,147		607,967
Balance – May 31, 2018 (Restated)	$	439,575	$	201,147	$	640,722
Acquisition costs		1,434,950		80,534		1,515,484
Foreign exchange on translation		5,586		1,260		6,846
Balance – May 31, 2019	$	1,880,111	$	282,941	$	2,163,052

During the year ended May 31, 2019 and the nine months ended May 31, 2019, the Corporation incurred exploration and evaluation expenditures as follows:

		May 31, 2019		**May 31, 2018 (Restated)**
Drilling	$	1,354,442	$	2,278,335
Exploration support and administration		1,364,578		943,788
Field operations and consumables		917,975		432,984
Geological consultants		298,731		217,586
Sampling and geological costs		811,549		442,852
Transportation		210,097		205,190
	$	4,957,372	$	4,520,735

SUMMARY OF QUARTERLY RESULTS

Key financial information for the three months ended May 31, 2019 as well as the quarters spanning the most recently preceding fiscal years is summarized as follows, reported in Canadian dollars except for per share amounts:

		May 31, 2019		February 28, 2019		November 30, 2018		August 31, 2018
Current Assets	$	12,526,764	$	7,560,688	$	9,115,740	$	11,031,999
Current Liabilities	$	526,094	$	453,096	$	561,067	$	593,172
Total Assets	$	16,004,287	$	9,756,497	$	11,098,456	$	12,616,829
Total Liabilities	$	526,084	$	453,096	$	561,066	$	593,172
Operating Expenses	$	(1,800,891)	$	(1,336,748)	$	(1,498,976)	$	(2,574,467)
Net Loss	$	(2,400,226)	$	(1,074,243)	$	(1,762,699)	$	(2,651,245)
Loss per share	$	(0.02)	$	(0.02)	$	(0.02)	$	(0.03)

		May 31, 2018 (Restated)		February 28, 2018		November 30, 2017
Current Assets	$	13,533,996	$	9,163,243	$	11,846,802
Current Liabilities	$	486,930	$	543,651	$	328,274
Total Assets	$	14,727,591	$	9,751,889	$	11,979,541
Total Liabilities	$	486,930	$	543,651	$	328,274
Operating Expenses	$	(3,302,395)	$	(1,943,423)	$	(2,364,443)
Net Loss	$	(3,457,068)	$	(2,609,378)	$	(2,371,556)
Loss per share	$	(0.06)	$	(0.04)	$	(0.04)

RESULTS OF OPERATIONS FOR THE THREE MONTHS ENDED MAY 31, 2019

Total operating expenses for three months ended May 31, 2019 were $1,800,891 (May 31, 2018 (Restated) - $3,302,395). The significant expenditures for the current quarter were as follows:

- Exploration and evaluation expenditures were $1,225,405 during the three months ended May 31, 2019 (May 31, 2018 (Restated) - $2,407,011), inclusive of drilling expenses of $147,970 (May 31, 2018 - $1,199,174) as a result of reduced drilling while awaiting permits. Exploration support and administration $561,809 (May 31, 2018 - $597,668) and field expenses of $168,238 (May 31, 2018 (Restated) - $222,290) remained comparable.
- Geological consulting fees increased to $87,618 (May 31, 2018 - $29,930) due to specialists required for the Corporation's approach to exploration, while sampling and geological costs of $196,250 (May 31, 2018 - $282,240), and travel expenses of $63,521 (May 31, 2018 - $105,009) decreased as a result of the shift to more advanced methods that follow upon our first pass at Soledad.

- Consulting expenses are similar at $71,056 and salaries and wage expenses were $150,039 during the three months ended May 31, 2019, compared to $78,380 consulting expense and $136,840 salaries and wages for the three months ended May 31, 2018.

- General and administrative expenses were $75,906 during the three months ended May 31, 2019, compared to $315,702 during the three months ended May 31, 2018. The decrease is due to the reduction in regulatory, accounting, and legal fees incurred as a result of the Reverse-Takeover Transaction incurred during the prior period. During the three months ended May 31, 2019, the Corporation incurred $101,846 of legal and professional fees (May 31, 2018 - $28,123).

- Stock-based compensation and investor relations expenses were $18,735 and $94,979, respectively during the three months ended May 31, 2019 (May 31, 2018 - $129,582 and $127,438, respectively). During the three months ended May 31, 2019, the Corporation incurred investor relations expenses for ongoing marketing and promotions.

As a result of the foregoing, the Corporation recorded a comprehensive loss of $2,180,337 during the three months ended May 31, 2019 (May 31, 2018 - $3,313,258).

RESULTS OF OPERATIONS FOR THE YEAR ENDED MAY 31, 2019

Total operating expenses for year ended May 31, 2019 were $7,211,082 (nine months ended May 31, 2018 - $7,610,261). The significant expenditures for the year ended May 31, 2019 were as follows:

- Exploration and evaluation expenditures were comparable at $4,957,372 during the year ended May 31, 2019 (nine months ended May 31, 2018 (Restated) - $4,520,735), inclusive of drilling expenses of $1,354,442 (Nine months ended May 31, 2018 - $2,278,335). Exploration support and administration nominally increased to $1,364,578 (nine months ended May 31, 2018 - $943,788). Field expenses increased to $917,975 (nine months ended May 31, 2018 (Restated) - $432,984) due to the building of the core facility and inventorying small supplies. Geological consulting fees of $298,731 (nine months ended May 31, 2018 - $217,586), sampling and geological costs of $811,549 (nine months ended May 31, 2018 - $442,852). Changes were owing to the use of several different exploration techniques at Soledad that included detailed geophysical and geochemical surveys. Travel expenses were similar at $210,097 during the year ended May 31, 2019 (nine months ended May 31, 2018 - $205,190).

- Consulting expenses were $241,134 and salaries and wage expenses were $661,287 during the year ended May 31, 2019, compared to $233,292 consulting expense and $282,157 salaries and wages for the nine months ended May 31, 2018. The Corporation hired two new employees near the end of the year ended May 31, 2018, resulting in the increase in wages.

- General and administrative expenses were $442,439 during the year ended May 31, 2019, compared to $530,405 during the nine months ended May 31, 2018. Travelling expenses were $133,120 during year ended May 31, 2019 (nine months ended May 31, 2018 - $190,035). During the year ended May 31, 2019, the Corporation incurred $178,901 of legal and professional fees (nine months ended May 31, 2018 - $216,730).

- Stock-based compensation and investor relations expenses were $165,383 and $342,588, respectively during the year ended May 31, 2019 (nine months ended May 31, 2018 - $1,362,674 and $274,233, respectively). Stock-based compensation expense realized during the year ended May 31, 2019 is the result of amortization of share-based expense from stock options previously granted. No additional stock options were issued during the year ended May 31, 2019. Investor relations expense increased during the year ended May 31, 2019 due to ongoing marketing and promotions campaigns and attending various trade shows and exhibitions.

As a result of the foregoing, the Corporation recorded a comprehensive loss of $7,573,068 during the year ended May 31, 2019 (nine months ended May 31, 2018 (Restated) - $8,359,894).

SUMMARY OF MINERAL PROPERTIES

(i) Soledad Project, Peru ("Condor Option")

On April 17, 2017, the Corporation entered into a Mining Assignment and Option Agreement with Minera Vertiente Del Sol S.A.C. ("MVS"), a Peruvian subsidiary of TSXV listed Condor Resources Inc. ("Condor"), pursuant to which the Corporation has the sole and exclusive option to acquire 100% of the rights and interests in the Soledad Project, subject to a 2% net smelter return royalty ("NSR").

The Corporation's option to acquire 100% of the rights and interests in the Soledad Project is exercisable by issuing 500,000 common shares by June 23, 2018 (issued), making aggregate cash payments of USD $5,375,000, and incurring work expenditures on the Soledad Option.

The Option exercise cash payments schedule is as follows:

Installment	Date		Amount (in USD $)
1	January 15, 2017 (paid)	$	10,000
2	April 2017 (paid)	$	15,000
3	December 23, 2017 (paid)	$	25,000
4	June 23, 2018 (paid)	$	50,000
5	December 23, 2018 (paid)	$	50,000
6	June 23, 2019 (paid)	$	75,000
7	December 23, 2019	$	75,000
8	June 23, 2020	$	100,000
9	December 23, 2020	$	150,000
10	June 23, 2021	$	200,000
11	December 23, 2021	$	4,625,000
	Total	$	5,375,000

As at May 31, 2019 the Corporation has paid instalments 1 to 5, totalling USD $150,000. The June 23, 2018 instalment was accompanied with the issuance of 500,000 shares of the Corporation.

Under the Original Mining Assignment and Option Agreement, the Corporation could purchase from MVS, at any time, 50% of the NSR, equal to a 1% NSR, for the total amount of USD $2,000,000.

On March 18, 2019, the Corporation purchased a 1% NSR on the Soledad Project for $369,902 (USD $275,000) and 900,000 common shares (Note 12). As a result of the Corporation purchasing the NSR, the option agreement between the parties will be amended to reflect a reduction of the NSR royalty from 2% to 1%, with the Corporation having the right to re-purchase 50% of the NSR (or 0.5% NSR) for USD $1,000,000 subsequent to exercising the option agreement. If the Corporation does not exercise the option agreement to acquire Condor's Soledad concessions, Condor has the right to purchase 50% of the NSR (or 0.5% NSR) for USD $1,000,000. Importantly, the amendment to the option agreement also eliminates Chakana's pre-royalty payment obligations.

Pursuant to the Mining Assignment and Option Agreement, the Corporation must complete 12,500 meters of exploration drilling at the Soledad Project.

As at May 31, 2019, the Corporation has drilled 25,211 (May 31, 2018 – 16,227) metres and incurred $9,834,912 (May 31, 2018 – 5,340,846) of exploration expenditures on the Soledad Project, therefore meeting all of its drilling and work expenditure commitments under the Mining Assignment and Option Agreement.

Exploration activity highlights on the Condor Option to the date hereof include:

- **Targets:** There are six confirmed outcropping breccia pipes identified to date on the option property.

- **Core Drilling:** Total drilling of 30,273 meters in 116 holes of which 25,211 meters in 94 holes were drilled up to May 31, 2019.

Breccia pipes and targets tested include:

Year	Bx 1*	Bx 5	Bx 3E	Bx 6	Bx 3W	Bx 7	Bx Corral 1	Bx 1SE	Other	Total
2017	4,558.76	2,520.50	-	-	-	-	-	-	-	7,079.26
2018	10,235.05	1,579.50	2,567.72	3,093.60	-	-	-	-	-	17,475.87
2019		1,957.90	-	1,615.60	493.70	759.45	478.63	163.25	249.30	5,717.83
Total	14,793.81	6,057.90	2,567.72	4,709.20	493.70	759.45	478.63	163.25	249.30	30,272.96

*includes Main and North breccia pipes

Significant core-lengths of mineralization were encountered, including these select holes completed on Bx 1, Bx 5, Bx 6 and Bx 7:

Breccia	DDH#	From(m)	To (m)	Interval	Au (g/t)	Ag(g/t)	Cu%
BX 1	**SDH17-018**	0.00	209.00	209.00	2.22	69.6	0.96
	including	0.00	40.00	40.00	4.21	18.6	
	including	40.00	114.00	74.00	3.31	65.5	1.11
	SDH18-059	0.00	233.00	233.00	1.36	57.2	0.85
	including	0.00	46.00	46.00	2.11	26.1	
	including	46.00	233.00	187.00	1.18	64.9	1.05
	SDH18-077	0.00	244.00	244.00	1.41	55.6	0.91
	including	0.00	50.00	50.00	1.68	17.7	
	including	50.00	244.00	194.00	1.34	65.4	1.13
Bx 5	**SDH17-041**	0.00	176.00	176.00	1.81	27.5	
	including	12.00	176.00	164.00	1.68	27.4	0.51
	SDH18-080	0.00	264.00	264.00	1.30	24.3	0.71
	including	0.00	30.00	30.00	1.33	45.8	0.05
	including	30.00	264.00	234.00	1.30	21.6	0.79
Bx 6	**SDH18-090**	14.00	44.00	30.00	0.53	17.4	0.03
	and	61.00	103.00	42.00	1.02	115.9	0.51
	SDH18-102	28.00	87.30	59.30	1.28	497.2	0.53
	including	64.50	87.30	22.80	2.93	1283.2	1.37
Bx 7	**SDH19-111**	132.65	195.00	62.35	0.43	118.4	0.13
	including	157.00	188.00	31.00	0.68	205.9	0.23
	SDH18-112	65.35	197.00	131.65	0.59	56.9	0.09
	including	149.00	181.00	32.00	0.83	127.4	0.14

Please refer to news releases dated October 6, 2017; February 22, 2018; June 26, 2018; October 18, 2018; November 13, 2018; February 7, 2019; and July 29, 2019 on www.sedar.com and the Corporation's website at www.chakanacopper.com.

While drilling the outcropping breccia pipe at Bx 1, a blind breccia pipe was intersected (North Zone). Drilling at Bx 1, Bx 5 and Bx 6 have confirmed increasing diameters with depth. Mineralization in Bx 1 North Zone has been intersected to 490m depth (down hole), in Bx 5 to 455m depth, and in Bx 6 Lower Breccia to 778m depth. All breccia pipes are open at depth.

- **Geophysics:** Both down-hole and surface electromagnetic surveys were completed within the portions of the option where breccia pipes were known or expected based upon soil sampling and geological modeling. This work identified conductive features, some of which yielded additional sulfide mineralization while others remain untested.

- **Geological Modeling:** The corporation utilizes specialized consultants and exploration software in order to track results and then model results daily in 3-D. This permits a tighter control on drill hole directions while permitting real-time discussions between Peru-based staff and Officers or consultants based around the world.

- **Soil Geochemical and Outcropping Rock Sampling** has been completed over the most prospective portions of the Condor Option. Results have been integrated into our modeling and have yielded both new targets and extensions to known zones. Some follow-up sampling continues as a result of this work.

(ii) Aija Project, Peru ("Aija Project")

On March 20, 2018, the Corporation entered into an Option Agreement with an arms-length third party, pursuant to which the Corporation has option to acquire 100% of the rights and interest in the Aija Project (the "Aija Project") subject to a 2% Net Smelter Royalty ("NSR"). The Aija Project includes 3 principal concessions, and 7 smaller parcels within one of the principal concessions, totalling in aggregate 574.71 hectares. These concessions are contiguous with the southern boundary of the Condor Option.

The Corporation's option to acquire 100% of the rights and interests in the Aija Project is exercisable by making aggregate cash payments of USD $2,300,000 as follows:

Installment	Date		Amount (in USD$)
1	Upon execution of Letter of Intent on October 3, 2017 (paid)	$	75,000
2	Upon close of Definitive Agreement on August 1, 2018 (paid)	$	75,000
3	February 1, 2019 (paid)	$	50,000
4	August 1, 2019 (paid)	$	50,000
5	February 1, 2020	$	75,000
6	August 1, 2020	$	75,000
7	February 1, 2021	$	100,000
8	August 1, 2021	$	100,000
9	February 1, 2022	$	100,000
10	August 1, 2022	$	100,000
11	February 1, 2023	$	1,500,000
	Total	$	2,300,000

Under the terms of the Option, the vendor is entitled 2% NSR. The Corporation may repurchase the 2% NSR at anytime for USD $2,000,000. There are no drilling or work expenditure commitments under the Option.

The Corporation has completed detailed soil and rock sampling, geological mapping, and surface electromagnetic surveys within the portions of the option where breccia pipes were known or expected based upon soil sampling and geological modeling. Results are encouraging with the identification of 9 confirmed breccia pipes within the option. The next steps will be core drilling. The Corporation has met with numerous delays in acquiring permits to do this work, largely as a result of inconsistent records at different Government ministries. Chakana continues to work with these ministries in order to resolve these matters.

(iii) Barrick Option Agreement ("Barrick Option")

On July 11, 2018, Mineral Barrick Misquichilca S.A. ("Barrick") granted the Corporation an option to acquire a 100% interest in three concessions adjoining the southern extent of the Aija Project. Under terms of the agreement, the Corporation has 5 years to complete a minimum of 2,000 m of drilling and produce a Preliminary Economic Assessment report compliant with National Instrument 43-101. Upon exercise of the option, Barrick will retain a 2% NSR subject to the Corporation's right to purchase 50% of the royalty for USD $2,000,000. Barrick will have a one-time right to re-acquire a 70% interest in the concessions within 120 days of exercising the option by paying the Corporation three times the aggregate amount of exploration expenditures incurred since the execution date and cancelling the 2% NSR. If a production decision is not made within 7 years of the Back-in Closing Date, Barrick will make pre-royalty payments of USD $75,000 per year until a production decision is made for a maximum of 5 years (USD $375,000). If the Corporation does not contribute its share of project costs their interest will be diluted until 10%, upon which their interest will be converted to a 2% NSR with Barrick's right to purchase 50% of the royalty for USD $2,000,000.

The Corporation has completed detailed soil and rock sampling, geological mapping, and surface electromagnetic surveys within the portions of the option where breccia pipes were known or expected based upon soil sampling and geological modeling. Results are encouraging with the identification of 7 confirmed breccia pipes within the option. The next steps will be core drilling and possibly geophysical surveys in areas without coverage. The Corporation has met with numerous delays in acquiring permits to do this work.

CAPITAL STRUCTURE

As of the date of this MD&A, the Corporation has 93,199,847 common shares, 1,208,690 common share purchase warrants, and 3,010,000 stock options issued and outstanding.

During the year ended May 31, 2019, the Corporation issued common shares as follows:

- On May 13, 2019 the Corporation completed a private placement of 15,686,275 common shares of at a price of $0.51 for gross proceeds of $8,000,000. In connection to the private placement, the Corporation recorded $72,249 of share issuance costs related to the legal costs of completing the private placement.

  On April 17, 2019, the Corporation issued 900,000 common shares at a deemed price of $0.42 per share as required in connection to the acquisition of a 1% NSR royalty on the Soledad project. The Corporation recorded $7,822 of share issuance costs in relation to the issuance of the common shares for the acquisition.

- On June 19, 2018, the Corporation issued 500,000 common shares to Condor Resources Inc. in accordance with its option obligations pursuant to the Mining Assignment and Option Agreement to acquire rights and interest in the Soledad Project in Peru.

- On June 7, 2018, the Corporation issued 43,225 common shares on the exercise of warrants at an exercise price of $0.40 for gross proceeds of $17,290.

During the nine months ended May 31, 2018, the Corporation issued common shares as follows:

- On March 23, 2018, the Corporation completed a brokered private placement by issuing 8,888,889 common shares at $0.90 per common share for gross proceeds of $8 million. In connection with this private placement, the Corporation paid cash finders' fees totaling $373,250 and issued 391,000 non-transferable broker warrants. Each broker warrant entitles the holder to purchase one common share of the Corporation at a price of $0.90 per common share for a period of 24 months following the date of issuance.

- On January 30, 2018, upon closing of the Transaction, the Corporation issued 200,000 common shares as a finder's fee to an arms-length third party.

- On November 7 and 9, 2017, the Corporation issued 8,602,500 common shares for gross proceeds of $4,301,250 and issued 11,397,500 subscription receipts for gross proceeds of $5,698,750, respectively. The subscriptions receipts and cash of $5,698,750 were held in escrow until the closing of the Transaction; whereby, all subscription receipts were exchanged for post-consolidated common shares of Remo on the closing date of the Transaction. In connection with the share offering, the Corporation incurred share issuance costs of $75,075 commission paid in cash, issued 127,715 common shares, and 277,865 warrants, entitling the holders thereof to acquire up to 277,865 common shares of the Corporation at a price of $0.50 per common share for a period of 24 months from the date of issue. Upon the closing of the Transaction, the Corporation issued 11,397,500 common shares of the exchange of 11,397,500 subscription receipts and paid $248,413 cash commissions, issued 43,000 finders' shares and 539,825 finders' warrants. Each whole warrant entitles the warrant holder thereof to acquire up to 539,825 common shares of the Corporation exercisable at $0.50 per common share for a period of 24 months from the date of issue.

- 7,608,332 common shares on exercise of warrants at an exercise price of $0.05 per common share for gross proceeds of $380,417;

- 8,750 common shares on exercise of warrants at an exercise price of $0.40 per common share for gross proceeds of $3,500;

- 537,500 common shares on exercise of warrants at an exercise price of $0.60 per common share for gross proceeds of $322,500;

The following warrants were outstanding as of the date of this MD&A:

Grant Date	Expiry Date	Number of warrants issued	Weighted Average Exercise Price
January 30, 2018	January 30, 2020	539,825	$0.50
March 23, 2018	March 23 ,2020	391,000	$0.90
		930,825	$0.67

On November 7, 2019, 277,865 share purchase warrants exercisable at $0.50 per warrant expired without being exercised.

The following incentive stock options were outstanding at the date of this MD&A:

		Options Outstanding			Options Exercisable	
Exercise Price	Expiry Date	Number of Shares Issuable on Exercise	Weighted Average Remaining Life (Years)	Weighted Average Exercise Price	Number of Shares Issuable on Exercise	Weighted Average Exercise Price
$0.40	September 14, 2022	2,585,000	4.29	$0.40	2,585,000	$0.40
$0.94	March 29, 2023	425,000	4.83	$0.95	106,250	$0.95
		3,010,000	4.39	$0.48	2,691,250	$0.42

CAPITAL RESOURCES

The Corporation defines capital as consisting of shareholder's equity and cash. The Corporation manages its capital structure to maximize its financial flexibility by making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Corporation does not presently utilize any quantitative measures to monitor its capital, but rather relies on the expertise of the Corporations management to sustain the future development of the business. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Corporation, is reasonable.

As at May 31, 2019, the Corporation is not subject to any externally imposed capital requirements or debt covenants. There was no change to the Corporation's approach to capital management during year May 31, 2019.

LIQUIDITY

The Corporation's objective in managing liquidity risk is to maintain sufficient liquidity in order to meet operational and investing requirements at any point in time. The Corporation has historically financed its operations primarily through the sale of share capital by way of private placements.

As at May 31, 2019, the Corporation had cash of $12,279,037 and working capital of $12,000,670.

Cash used in operating activities was $7,800,347 during the year ended May 31, 2019. The cash used in operating activities is for exploration and evaluation expenditures.

Cash used in investing activities was $1,312,210 during the year ended May 31, 2019 was primarily related to purchases of equipment and acquisition of mineral properties.

The development of the Corporation in the future will depend on the Corporation's ability to obtain additional financings. In the past, the Corporation has relied on the sale of equity securities to meet its cash requirements. Future developments, in excess of funds on hand, will depend on the Corporation's ability to obtain financing through joint venturing of projects, debt financing, equity financing or other means. There can be no assurances that the Corporation will be successful in obtaining any such financing or in joint venturing its property; failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and development of the Corporation's properties.

OUTLOOK

The Corporation plans to conduct further exploration on the Soledad Project. Further exploration and corporate costs are expected to be funded through future equity financing. As of the date of this MD&A, the Company has approximately $8.7 million in cash and cash equivalents. Exploration will continue to focus on mineralization hosted in tourmaline breccia pipes. Surface exploration over the northern half of the property has largely been completed and drill targets have been defined. Approximately 15,000 additional metres are planned for high priority breccia pipe targets in this area pending approval of drill permits. The goal of this drilling, combined with previous drilling, is to produce the first mineral resource estimate for the project in 2020. Metallurgical studies will be completed to compliment the resource estimate. Additional surface exploration work will continue on the south half of the property to define additional drill targets, which will be tested once permits for this area are obtained. Based on the level of exploration activity, the company will continue its community relations and development program in the areas close to the project.

RELATED PARTY TRANSACTIONS

The Corporation's related parties include key management personnel and companies related by way of directors or shareholders in common.

Key Management Personnel Compensation

During the year ended May 31, 2019 and for the nine months ended May 31, 2018, the Corporation paid and/or accrued the following fees to key management personnel:

	For the year ended May 31, 2019	For the Nine Months Ended May 31, 2018
Management		
Fees		
David Kelley, CEO	$ 264,857	$ 139,658
Kevin Ma, CFO	75,600	55,400
Stock-based compensation		
David Kelley, CEO	-	319,454
Kevin Ma, CFO	-	47,918
Subtotal	$ 340,457	$ 562,430
Directors		
Fees		
John Black, Director	$ 14,000	$ -
Darren Devine, Director	60,000	45,000
Doug Kirwin, Director	79,535	57,165
Tom Wharton, Director	12,000	3,000
Stock-based compensation		
John Black, Director	-	95,836
Darren Devine, Director	-	71,877
Doug Kirwin, Director	-	71,877
Tom Wharton, Director	-	71,877
Subtotal	$ 165,535	$ 417,022
Total Related Party Compensation	$ 505,992	$ 979,452

Key management includes the Corporation's Board of Directors and members of senior management.

Trade Related Party Transactions

As at May 31, 2019 the Corporation has the following amounts due to related parties:

	May 31, 2019	May 31, 2018
Management		
David Kelley, CEO	$ -	$ 13,167
Kevin Ma, CFO	-	-
Subtotal	$ -	$ 13,167
Directors		
John Black, Director	$ 14,000	$ -
Darren Devine, Director	5,250	5,250
Doug Kirwin, Director	6,764	6,888
Tom Wharton, Director	4,000	3,000
Subtotal	$ 33,014	$ 15,138
Total Due to Related Party	$ 33,014	$ 28,305

OFF BALANCE SHEET ARRANGEMENTS

The Corporation currently has no off-balance sheet arrangements.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial assets and liabilities are classified in the fair value hierarchy according to the lowest level of input that is significant to the fair value measurement. Assessment of the significance of a particular input to the fair value measurement requires judgement and may affect placement within the fair value hierarchy levels.

The hierarchy is as follows:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 fair value measurements are those derived from inputs that are unobservable inputs for the asset or liability.

The fair value of cash under the fair value hierarchy is measured using Level 1 inputs. The Corporation considers that the carrying amount of all its financial assets and financial liabilities recognized at amortized cost in the financial statements approximates their fair value due to the demand nature or short-term maturity of these instruments.

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

FINANCIAL RISK FACTORS

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

Credit risk

Credit risk is the risk of potential loss to the Corporation if the counterparty to a financial instrument fails to meet its contractual obligations. The Corporation's credit risk is primarily attributable to its liquid financial assets including cash and receivables. The Corporation limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions.

Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation currently settles its financial obligations with cash. The ability to do this relies on the Corporation raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. The Corporation is exposed to liquidity risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Corporation has no interest-bearing debt. The Corporation's sensitivity to interest rates is minimal.

Foreign Currency Risk

Foreign Currency Risk is the risk on fluctuation of currency related to monetary items with a settlement currency other than Canadian dollars. The functional currency of Chakana is the Canadian Dollar and the functional currency of the subsidiary is the US Dollar. The Corporation is exposed to foreign currency risk on fluctuations related to cash, receivables, prepayments, and accrued liabilities that are denominated in U.S Dollars, and Canadian Dollars. The Corporation has not used derivative instruments to reduce its exposure to foreign currency risk nor has it entered into foreign exchange contracts to hedge against gains or losses from foreign exchange fluctuations.

BUSINESS RISKS AND UNCERTAINTIES

Additional information on risks and uncertainties relating to Chakana's business is provided in Remo's Filing Statement dated December 4, 2017 to under the heading "Risk Factors". This Filing Statement is accessible under the Corporation's profile at www.sedar.com.

CONTRACTUAL OBLIGATIONS

The Corporation leases various premises under operating leases which expire from January 31, 2020 to July 31, 2020. The Corporation is obligated to make $171,337 in minimum lease payments under the premise leases in the fiscal year ending May 31, 2020.

SETTLEMENT AGREEMENT

On October 4, 2019, the Corporation signed a settlement agreement pursuant to which 4,000,000 of the common shares of the Corporation, owned by a former employee of the Corporation, were relinquished as compensation for misuse of funds by the former employee. These 4,000,000 shares were cancelled on November 14, 2019. Additionally, as a result of the former employee's termination for cause, 1,000,000 share purchase options, issued September 17, 2017, have been cancelled.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Corporation's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of income and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes may differ significantly from these estimates.

Areas requiring a significant degree of judgment relate to the recoverability and measurement of deferred tax assets and liabilities, the ability to continue as a going concern and the capitalization of development costs. Actual results may differ from those estimates and judgments. Areas requiring a significant degree of estimation include allowances for doubtful accounts.

Judgments that have the most significant effect on the amounts recognized in the Corporation's consolidated financial statements are as follows

- *Exploration and Evaluation Assets*

  The net carrying value of each mineral property is reviewed regularly for conditions that suggest potential indications impairment. This review requires significant judgment. Factors considered in the assessment of asset impairment include, but are not limited to, whether there has been a significant adverse change in the legal, regulatory, accessibility, title, environmental or political factors that could affect the property's value; whether there has been an accumulation of costs significantly in excess of the amounts originally expected for the property's acquisition, development or cost of holding; and whether exploration activities produced results that are not promising such that no more work is being planned in the foreseeable future.

- *Going Concern*

  The assessment of the Corporation's ability to continue as a going concern involves critical judgement based on historical experience and expectations of the Corporation's ability to generate adequate financing. Significant judgements are used in the Corporation's assessment of its ability to continue as a going concern.

- *Income taxes*

  Deferred tax assets and liabilities are determined based on differences between the financial statement carrying values of assets and liabilities and their respective income tax bases ("temporary differences"), and losses carried forward.

  The determination of the ability of the Corporation to utilize tax loss carry-forwards to offset deferred tax liabilities requires management to exercise judgement and make certain assumptions about the future performance of the Corporation. Management is required to assess whether it is probable that the Corporation will benefit from these prior losses and other deferred tax assets. Change in economic conditions, metal prices and other factors could result in revision to the estimates of the benefits to be realized or the timing of utilizing the losses.

- *Functional Currency*

  The functional currency for each of the Corporation's subsidiary is the U.S. dollar - the currency of the primary economic environment in which the entity operates. Determination of functional currency may involve certain judgments to determine the primary economic environment and the Corporation reconsiders the functional currency of its entities if there is a change in events and conditions which determined the primary economic environment.

- Acquisition Accounting

  Chakana has accounted for the reverse acquisition of Remo as an asset acquisition. Significant judgements and estimates were required to determine that the application of this accounting treatment was appropriate for the transaction. These included, among others, the determination that Remo was not considered a business under IFRS 3: Business Combination, for the basis of calculation of the fair value of the consideration transferred and the estimate of the fair value of the net assets acquired.

- *Value added Tax Receivable*

  The Corporation has a signed agreement with the Peruvian Ministry of Energy and Mines to receive a refund on value-added taxes for certain exploration related expenditures incurred by the Corporation in Peru, prior to the Corporation generating sales. These value-added tax receivables are subject to review by the Peruvian tax authorities. Management is required to assess the likelihood of approval for the expenditures filed for refund and collectability of the value-added tax receivables from the Peruvian Ministry of Energy and Mines.

SIGNIFICANT ACCOUNTING POLICIES

The Corporation's significant accounting policies are summarized in Note 3 to the audited consolidated financials for the year ended May 31, 2019.

ACCOUNTING STANDARDS AND AMENDMENTS ADOPTED

IFRS 9 – Financial Instruments

The Corporation adopted all of the requirements of IFRS 9 Financial Instruments ("IFRS 9") as of June 1, 2019. IFRS 9 replaces IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 utilizes a revised model for recognition and measurement of financial instruments and a single, forward looking "expected loss" impairment model. As a result of the adoption of IFRS 9, management has changed its accounting policy for financial assets retrospectively, for assets that continued to be recognized at the date of initial application.

The table below summarizes the classification and carrying amount changes upon transition from IAS 39 to IFRS as at June 1, 2018.

	Original under IAS 39			**New Under IFRS 9**		
	Classification		Carrying Amount	Classification		Carrying Amount
Cash	FVTPL	$	13,159,191	FVTPL	$	13,159,191
Accounts payable	Other financial liabilities	$	486,930	Amortized Cost		486,930

As the standard permits on transition to IFRS 9, the Corporation has not restated prior periods with respect to the new amortized cost measurement for financial assets and impairment requirements.

The adoption of IFRS 9 resulted in no impact to the opening accumulated deficit or to the opening retained/deficit on June 1, 2019.

IFRS 15 – Revenue from Contracts with Customers

The Corporation adopted all of the requirements of IFRS as of June 1, 2018. This new accounting pronouncement establishes principles for reporting the nature, amount, timing, and uncertainty of revenue and cash flows arising from an entity's contracts with customers.

There was no significant impact on the Corporation's consolidated financial statements upon the adoption of IFRS 15, as the Corporation does not have revenue from contracts with customers.

FUTURE CHANGES IN ACCOUNTING POLICIES

The IASB has issued or amended a number of new standards that were not effective for the year ending May 31, 2019. These standards have not been early adopted in these consolidated financial statements.

IFRS 16, Leases was issued in January 2016 (effective January 1, 2019) and provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. The Corporation is currently evaluating the impact the standard is expected to have on its consolidated financial statements.

Management does not expect any other IFRS or IFRIC pronouncements that are not yet effective to have a material impact on the Corporation.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This MD&A contains certain statements that may be deemed "forward-looking statements", including statements regarding developments in the Corporation's operations in future periods, adequacy of financial resources and future plans and objectives of Corporation. All statements in this document, other than statements of historical fact, which address events or developments that the Corporation expects to occur, are forward looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential", "interprets" and similar expressions, or events or conditions that "will", "would", "may", "could" or "should" occur. Forward-looking statements in this document include statements regarding future exploration programs, liquidity and effects of accounting policy changes.

Although the Corporation believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in forward-looking statements. Factors that could cause the actual results to differ materially from those in forward-looking statements include market prices, exploration success, continued availability of capital and financing, inability to obtain required regulatory or governmental approvals and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. Readers are cautioned not to place undue reliance on this forward-looking information.

Forward-looking statements are based on the beliefs, estimates and opinions of the Corporation's management on the date the statements are made. The Corporation undertakes no obligation to update these forward-looking statements in the event that Management's beliefs, estimates, opinions or other factors should change except as required by law.

These statements are based on a number of assumptions including, among others, assumptions regarding general business and economic conditions, the timing of the receipt of regulatory and governmental approvals for the transactions described herein, the ability of the Corporation and other relevant parties to satisfy stock exchange and other regulatory requirements in a timely manner, the availability of financing for the Corporation's transactions and exploration and development programs on reasonable terms and the ability of third-party service providers to deliver services in a timely manner. The foregoing list of assumptions is not exhaustive. Events or circumstances could cause results to differ materially.