PARALLEL MINING CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
NINE MONTHS ENDED FEBRUARY 29, 2020

OVERVIEW

The following management's discussion and analysis ("**MDA**"), prepared on April 16, 2020 should be read in conjunction with the audited consolidated financial statements for the year ended May 31, 2019 and the condensed consolidated interim financial statements for the nine months ended February 29, 2020. All amounts are stated in Canadian dollars unless otherwise indicated. These financial statements together with this MDA are intended to provide investors with a reasonable basis for assessing the financial performance of Parallel Mining Corp. (the "**Company**").

Information contained in this MDA that is not historical fact may be considered "forward looking statements". These forward looking statements sometimes include words to the effect that management believes or expects a stated condition or result. All estimates and statements that describe the Company's objectives, goals or plans are forward looking statements. Since forward looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors, including such variables as new information, changes in demand for commodity prices, legislative, environmental and other regulatory or political changes, competition in areas where the Company operates, and other factors discussed herein. Readers are cautioned not to place undue reliance on this forward looking information.

Additional information related to the Company is available for view on SEDAR at www.sedar.com or by requesting further information from the Company's head office in Vancouver.

DESCRIPTION OF BUSINESS

The Company was incorporated under the *Business Corporations Act* (British Columbia) on April 18, 2007 under the name Parallel Capital Corp. On December 17, 2009, the Company changed its name to Parallel Resources Ltd., and further changed its name to Parallel Mining Corp. on December 19, 2011.

The Company is engaged in the evaluation, acquisition, exploration, development and exploitation of base and precious metal properties.

In April, 2015, the Company announced that it had entered into an agreement to acquire all of the issued and outstanding common shares of 0909189 BC Ltd. ("**0909189**"), a Canadian company, and its wholly owned subsidiary, Transburkina Mining, S.A.R.L. 0909189 holds the rights to mineral permit located in Burkina Faso, West Africa.

On April 29, 2016, the Company announced that it has amended the previously announced agreement to acquire 0909189 and its property option rights in Burkina Faso. As amended, the Company will issue 7,590,000 common shares in exchange for all of the issued and outstanding shares of 0909189 on a one-for-one basis. All other elements of the agreement remain the same.

The primary asset held by 0909189 is an option to earn a 100% interest in the 165.74 km2 Garsay mineral exploration permit in a highly prospective greenstone gold belt located in Burkina Faso, West Africa (the "**Garsay Permit**"). The Garsay Permit is located in the province of Soum, approximately 250 kilometers north-east of the capital city of Ouagadougou and approximately 30 kilometers east of the Inata Gold Mine and Souma deposit owned by Avocet Mining PLC. (135,000 oz/ year gold production and 6.1 million ounces of gold).

On March 8, 2017, the Company completed the acquisition of all the outstanding common shares of 0909189 by the issuance of 7,590,000 common shares of the Company. Completion of the acquisition resulted in 0909189 becoming a wholly-owned subsidiary of the Company.

On March 9, 2017, the Company received the approval of the TSX-V on the aforementioned transaction.

On March 20, 2017, the Company entered into an option agreement to acquire a 100% interest in the Sebedougou Property, located in Burkina Faso, West Africa.

On June 4, 2018, the Company entered into an option agreement to acquire a 100% interest in the 163 square kilometre Mane II property ("**Mane II Property**"). The Mane II Property is located in the Kaya-Goren greenstone belt, approximately 20 kilometers south of Nordgold's Bissa Gold Mine and approximately 40 kilometers north-northeast of the capital city, Ouagadougou in Burkina Faso.

OVERVIEW

As the Company is focused on its exploration activities, there is no production, sales or inventory in the conventional sense. The recoverability of costs capitalized to mineral property interests and the Company's future financial success will be dependent upon the extent to which it can discover mineralization and determine the economic viability of developing such properties. Such development may take years to complete and the amount of resulting income, if any, is difficult to determine with any certainty at this time. Many of the key factors are outside of the Company's control. The sales value of any mineralization discovered and developed by the Company is largely dependent upon factors beyond the Company's control such as the market prices of the base and precious metals produced. As the carrying value and amortization of mineral properties are, in part, related to the Company's mineral reserves and resources, if any, the estimation of such reserves and resources is significant to the Company's position and results of operations.

Properties

Garsay Permit

Pursuant to the acquisition of 0909189, the Company acquired 0909189's underlying option to earn a 100% interest in an exploration permit, known as the Garsay Permit, located in Burkina Faso, West Africa.

The Garsay Permit which represents 165.74 square kilometers in a highly prospective greenstone gold belt located in Burkina Faso, West Africa. The Garsay Permit is located in the province of Soum, approximately 250 kilometers northeast of the capital city of Ouagadougou and approximately 30 kilometers east of Inata gold mine and the Souma deposit owned by Avocet Mining PLC.

During the year ended May 31, 2018, management elected to discontinue its option on the Garsay Permit due to illegal bandit activity in and around the Garsay property. Management could not guarantee the safety of its employees and contractors. Consequently, the Company wrote off all costs related to the Garsay property.

Sebedougou Permit

On March 20, 2017, the Company entered into an option agreement with the permit holder to acquire a 100% interest in the Sebedougou Permit.

The 100.08 square kilometre Sebe Property is located in the Hounde Greenstone Belt in Burkina Faso, between the producing gold deposits Hounde and South Hounde operated by Endeavour Mining and Acacia Mining respectively.

The Company had conducted over 958 meters of Rotary Air Blast Drilling and 1,637 meters of Diamond Drilling. Additional drilling, geophysical, and geochemical work was planned to follow up on the Company's previous drill campaigns and exploration work on the permit. However, Management elected to discontinue its option on the Sebedougou property. Accordingly, all acquisition and exploration costs on the property were written off during the year ended May 31, 2018.

Mane II Property

On June 4, 2018, the Company entered into an option agreement to acquire a 100% interest in the Mane II Property located in Burkina Faso, West Africa. As consideration, the Company paid $6,609 (US$5,000) upon execution of the option agreement and will make staged payments totaling US$465,000 as follows:

On or before September 2, 2018	A further US$15,000 ($19,641, paid)
On or before June 4, 2019	A further US$25,000 (unpaid)
On or before June 4, 2020	A further US$50,000
On or before June 4, 2021	A further US$125,000
On or before June 4, 2022	A further US$250,000

The Company did not make the required option payment due on June 4, 2019 and is currently in the process of renegotiating the terms of the option agreement with the Optionor.

The property is subject to a 2% net smelter royalty, of which the Company has the option to purchase half of for a one-time payment of US$500,000.

SELECTED ANNUAL INFORMATION

	Years Ended May 31,		
	2019	**2018**	**2017**
	-$-	**-$-**	**-$-**
Net loss and comprehensive loss	(340,584)	(3,083,315)	(511,616)
Loss per share	(0.01)	(0.06)	(0.01)
Total assets	140,276	55,206	2,849,864
Total liabilities	183,026	308,032	75,425
Total equity (deficit)	(42,750)	(252,826)	2,774,439

YEAR ENDING MAY 31, 2019

The Company incurred a net loss of $340,584 during the year ended May 31, 2019, compared to a net loss of $3,083,315 incurred in the prior year. The most significant items causing a change in the net loss from the prior year was the write-off of the Company’s exploration and evaluation assets of $2,668,604 in the Garsay and Sebedougou properties in Burkina Faso and the write-off of payables of $12,005 during the year ended May 31, 2018. Other significant items were the decrease in marketing fees to $6,015 (2018 - $28,480), a decrease in consulting fees to $155,043 (2018 - $195,278) and a decrease in office and miscellaneous fees to $12,288 (2018 - $27,908). Much of the decrease in expenses was due to limited activity and resources.

YEAR ENDING MAY 31, 2018

The Company incurred a net loss of $3,083,315 during the year ended May 31, 2018, compared to a net loss of $511,616 incurred in the prior year. The most significant items causing a change in the net loss from the prior year was the write-off of the Company’s exploration and evaluation assets of $2,668,604 in the Garsay and Sebedougou properties in Burkina Faso and the write-off of payables of $12,005. Other significant items were the decrease in management fees to $83,000 (2017 - $116,740), decrease in office and miscellaneous fees to $27,908 (2017 - $77,000) and decrease in property investigation costs to $29,232 (2017 – $41,442). The Company did increase its marketing costs to $28,480 (2017 - $Nil) during the year. Most of the decreases in the expenses were related to Management’s goal of reducing overhead costs where possible.

SUMMARY OF QUARTERLY FINANCIAL RESULTS

The following is a summary of selected financial information compiled from the quarterly interim unaudited consolidated financial statements for the eight quarters ended from February 29, 2020 to May 31, 2018:

	Three months ended:			
	February 29 2020	November 30, 2019	August 30, 2019	May 31, 2019
	-$-	-$-	-$-	-$-
Total revenue	-	-	-	-
Net loss for the period	264,159	(165,231)	(48,035)	(65,606)
Loss per share	(0.02)	(0.03)	(0.01)	(0.01)

	February 28, 2019	November 30, 2018	August 31, 2018	May 31, 2018
	-$-	-$-	-$-	-$-
Total revenue	-	-	-	-
Net loss for the period	(96,389)	(104,712)	(73,958)	(680,452)
Loss per share	(0.02)	(0.01)	(0.01)	(0.01)

THREE MONTHS ENDING FEBRUARY 29, 2020

The Company incurred a net loss of $264,159 for the three months ended February 29, 2020 (2019 – $96,389).

The significant changes were the increase in consulting fees to $139,066 (2018 - $40,199) as a result of paying consultants to search for new exploration projects that the Company can pursue in Africa as well as seeking funding opportunities from new and existing investors. . Investor relations fees increased to $50,000 (2018 - $15,000) as a result of increased activity promoting the Company to raise funding. Professional fees increased to $28,006 (2018 - $1,156) for legal and audit fees., Transfer agent and regulatory fees increased to $20,464 (2018 - $4,310) due to payments to the TSX-V relating to private placement and filing expenses and increase in office and miscellaneous costs to $15,637 (2018 - $1,626) due to an overall increase in activity during the quarter. Other costs were relatively similar between the two periods. The Company had no sources of operating revenues during the three months ended February 29, 2020.

NINE MONTHS ENDING FEBRUARY 29, 2020

The Company incurred a net loss of $477,425 for the nine months ended February 29, 2020 (2019 – $274,978).

The significant changes were the increase in consulting fees to $277,288 (2019 - $97,219) as a result of paying consultants to search for new exploration projects that the Company can pursue in Africa as well as seeking funding from investors to assist with the payments to these consultants.. , Increase in professional fees to $32,735 (2019 - $22,962) for legal fees incurred, increase in transfer agent and regulatory fees to $25,610 (2019 - $14,364) due to filing costs associated with the private placement and increase in office and miscellaneous costs to $21,883 (2019 - $15,151) due to more activity during the period. During the period, the Company entered into a Loan agreement whereby it had to issue a loan bonus of $5,000 and accrued interest of $3,497 to the lender. Other costs were relatively similar between the two periods.

The Company had no sources of operating revenues during the nine months ended February 29, 2020.

LIQUIDITY AND CAPITAL RESOURCES

The Company is in the exploration stage and has not yet determined whether its mineral properties contain reserves. The recoverability of amounts capitalized for mineral property interests is entirely dependent upon the existence of reserves, the ability of the Company to obtain the necessary financing to complete exploration and development and upon future profitable production. The Company knows of no trends, demands, commitments, events or uncertainties that may result in the Company’s liquidity either materially increasing or decreasing at the present time or in the foreseeable future, except as disclosed below regarding COVID -19.

Material increases or decreases in the Company’s liquidity are substantially determined by the success or failure of the Company’s exploration programs and overall market conditions for smaller mineral exploration companies. The Company has endeavored to secure mineral property interests that in due course could be brought into production to provide the Company with cash flow which would be used to undertake work programs on other projects. To that end, the Company has expended its funds on mineral property interests that it believes have the potential to achieve cash flow within a reasonable time frame. As a result, the Company has incurred losses. This result is typical of smaller exploration companies and will continue unless positive cash flow is achieved.

Further, in March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. . If the disease continues to spread or until a cure is found, the Company may have a difficult time raising financing to carry on with it intended business. The impact on the Company is not currently determinable but management continues to monitor the situation.

The following table contains selected financial information of the Company’s liquidity:

	February 29, 2020 -$-	May 31, 2019 -$-
Cash	371,752	4,642
Working capital (deficiency)	101,968	(166,144)

Ongoing operating expenses and exploration costs continue to reduce the Company’s cash resources and working capital.

At February 29, 2020, the Company had $371,752 in cash (May 31, 2019 - $4,642) and a working capital surplus of $101,968 (May 31, 2019 – deficiency of $166,144) incurring a net loss for the period of $477,425 (February 29, 2020 - $274,978) with a cumulative deficit of $7,028,759 (May 31, 2019 - $6,551,334).

On November 26, 2019, the Company completed a consolidation of its issued and outstanding common shares on the basis of 1 new post-consolidated common share for every 15 common shares currently outstanding. Following completion of the consolidation, the Company’s issued and outstanding was reduced to 4,446,849 common shares.

During the three months ended February 28, 2020, the Company completed a non-brokered private placement of 7,700,000 (post-rollback) common shares at a price of $0.10 per share for gross proceeds of $770,000. The Company paid share issuance costs of $24,000 relating to the private placement.

On October 24, 2019, the Company entered into a Loan Agreement with an arms-length party for a loan in the amount of $50,000 (the “Loan”). The Loan is interest bearing at a rate of 10% and due on or before April 24, 2020. As consideration of the Loan, the Company is obligated to a pay a loan bonus equal to 10% of the Loan, payable in common shares of the Company. Accordingly, at February 29, 2020, the Company has recorded an obligation to issue shares totaling $5,000. To February 29, 2020, the Company has accrued $3,497 in interest expense

Stock Options

The Company has a stock option plan that allows it to grant options to its directors, officers, employees and consultants, provided that the aggregate number of options granted shall not at any time exceed 10% of the total number of issued and outstanding common shares of the Company. The exercise price of each option may not be less than the fair market price of the Company’s shares as traded on a stock exchange at the time of grant. Options have a maximum term of five years and vesting of options is made at the discretion of the board of directors (the “**Board**”) at the time the options are granted.

As at February 29, 2020, there were no options outstanding for the purchase of common shares.

Share Purchase Warrants and Finder’s Warrants

As at the current date, and February 29, 2020, there were 882,548 share purchase warrants, including finder’s warrants, outstanding for the purchase of common shares as follows:

Number of warrants		Exercise price per warrant	Number of warrants exercisable	Expiry date
183,400	$	0.75	183,400	July 12, 2023
665,814		0.75	665,814	October 12, 2023
33,334		0.75	33,334	December 28, 2023
882,548			882,548	

A summary of changes in warrants for the period ended February 29, 2020, and the year ended May 31, 2019 is presented below:

	Period ended February 29, 2020			Year ended May 31, 2019		
	Number		Exercise price	Number		Exercise price
Balance, beginning	2,086,241	$	3.15	2,097,326	$	3.30
Expired	(1,203,693)		3.75	(893,633)		3.00
Granted	-		-	882,548		0.75
Balance, ending	882,548	$	0.75	2,086,241	$	3.15

RELATED PARTY TRANSACTIONS

Key management personnel are the persons responsible for the planning, directing and controlling the activities of the Company and include both executive and non-executive directors, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel. Except as disclosed elsewhere in this MDA, related party transactions are detailed below.

At February 29, 2020, included in accounts payable and accrued liabilities are amounts owing to directors and officers or companies owned by directors and officers of $157,350 (May 31, 2019 - $76,210).

During the period ended February 29, 2020, the Company incurred management fees of $63,000 (2019 - $60,500), rent of $9,000 (2019 - $9,000) and secretarial services of $6,585 (2019 - $12,713) with key management personnel or companies controlled by them.

Included in subscriptions receivable at February 29, 2020 is $10,000 (May 31, 2019 - $10,000) owing from a director of the Company.

FINANCIAL INSTRUMENTS & RISK MANAGEMENT

Financial Instruments and Risk Management

Fair Value

IFRS 7 establishes a fair value hierarchy that priorities the input to valuation techniques used to measure fair value as follows:

Level 1 – Applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.

Level 2 – Applies to assets or liabilities for which there are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly such as quoted prices for similar assets or liabilities in active markets or indirectly such as quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions.

Level 3 – Applies to assets or liabilities for which there are unobservable market data.

The Company holds cash which is measured at fair value using Level 1 inputs.

Due to the relatively short term nature of receivables and accounts payable and accrued liabilities, the fair value of these instruments approximate their carrying values.

Risk management is carried out by the Company’s management team with guidance from the Board. The Company's risk exposures and their impact on the Company's financial instruments are summarized below:

Credit Risk

The Company’s credit risk is primarily attributable to cash and receivables, both of which are primarily held with one reputable Canadian chartered bank which is closely monitored by management. Management believes that the credit risk concentration with respect to financial instruments included in cash and receivables is minimal.

Liquidity Risk

The Company ensures that there is sufficient capital in order to meet short-term business requirements, after taking into account the Company's holdings of cash, and its ability to raise debt and/or equity financings. The Company will require additional funding to meet its short-term liabilities and administrative overhead costs, and to maintain its mineral property interests in the coming periods. Accounts payable and accrued liabilities are due in accordance with normal terms of trade and are payable within the current operating period.

Market Risk

Interest Rate Risk

The Company had cash balances, and no interest bearing debt. The Company’s current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the creditworthiness of its banks.

Foreign Currency Risk

The Company’s functional currency and the reporting currency is the Canadian dollar (“**CDN$**”). The Company is not exposed to significant foreign exchange risk.

The Company does not participate in any hedging activities to mitigate any gains or losses which may arise as a result of exchange rate changes.

Commodity Price Risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. To mitigate price risk, the Company closely monitors commodity prices of precious metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

SUBSEQUENT EVENTS

On April 6, 2020, the Company issued 500,000 common shares at $0.10 per common share pursuant to a non-brokered private placement for gross proceeds of $50,000.

The Company also announced that its loan agreement for the principal amount of $50,000 (the "Loan") where the Lender will receive from the Company 250,000 non-transferable share purchase warrants (the " Warrants") as consideration for the Loan instead of bonus shares as previously announced. Each Warrant will entitle the holder to purchase one common share of the Company at $0.20 per share for a period of one year. Any shares issued on exercise of the warrants are subject to a four month hold period expiring on August 7, 2020. The warrants are exercisable to purchase common shares of the Company at an exercise price of $0.20 per common share until April 6, 2021.

ADDITIONAL INFORMATION

Off-Balance Sheet Arrangements

As at the date of this MDA, the Company had no off-balance sheet arrangements.

Legal Proceedings

As at the date of this MDA, management was not aware of any legal proceedings involving the Company.

Outstanding Share Data

As at February 29, 2020, the Company had 12,146,848 common shares outstanding.

As of the date of this MDA, the Company had 12,646,848 common shares outstanding.

Contingent Liabilities

As at the date of this MDA, management was not aware of any outstanding contingent liabilities relating to the Company's activities.

Any forward-looking information in this MDA is based on the conclusions of management. The Company cautions that due to risks and uncertainties, actual events may differ materially from current expectations. With respect to the Company's operations, actual events may differ from current expectations due to economic conditions, new opportunities, changing budget priorities of the company, and other factors.

CAPITAL DISCLOSURE

The Company was formed for the purpose of acquiring exploration and development stage natural resource properties. The Board determines the Company's capital structure and makes adjustments to it based on funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board has not established a quantitative return on capital criteria for capital management.

The Company is dependent upon external financing to fund future exploration programs and its administrative costs. The Company will spend existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and to seek to acquire an interest in additional properties if management feels there is sufficient geologic or economic potential, provided it has adequate financial resources to do so.

The Board reviews its capital management approach on an ongoing basis and believes that its approach, given the relative size of the Company, is reasonable.

RECENT ACCOUNTING PRONOUNCEMENTS

New accounting standards issued but not yet effective

Certain new standards, interpretations and amendments to existing standards have been issued by the International Accounting Standards Board or the International Financial Reporting Interpretations Committee that are mandatory for later periods. Refer to Note 2 of the Company's financial statements for the nine months ended February 29, 2020, for details on the standards.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL INFORMATION

The Company's financial statements and the other financial information included in this management report are the responsibility of the Company's management, and have been examined and approved by the Board. The financial statements were prepared by management in accordance with IFRS and include certain amounts based on management's best estimates using careful judgment. The selection of accounting principles and methods is management's responsibility.

Management recognizes its responsibility for conducting the Company's affairs in a manner to comply with the requirements of applicable laws and established financial standards and principles, and for maintaining proper standards of conduct in its activities. The Board supervises the financial statements and other financial information through its audit committee.

This committee's role is to examine the financial statements and recommend that the Board approve them, to examine the internal control and information protection systems and all other matters relating to the Company's accounting and finances. In order to do so, the audit committee meets annually with the external auditors, with or without the Company's management, to review their respective audit plans and discuss the results of their examination. This committee is responsible for recommending the appointment of the external auditors or the renewal of their engagement.

DIRECTORS

Certain directors of the Company are also directors, officers and/or shareholders of other companies. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required to act in good faith with a view to the best interests of the Company and to disclose any interest which they may have in any project opportunity of the Company. If a conflict of interest arises at a meeting of the Board, any directors in a conflict will disclose their interests and abstain from voting in such matters. In determining whether or not the Company will participate in any project or opportunity, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at the time.

As at the date hereof, the current directors of the Company are John David Anderson, Allan John Fabbro and Wilson (Wenhong) Jin.