PARALLEL MINING CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
SIX MONTHS ENDED NOVEMBER 30, 2018

OVERVIEW

The following management's discussion and analysis ("**MDA**"), prepared on January 21, 2019, should be read in conjunction with the audited consolidated financial statements for the year ended May 31, 2018 and the condensed consolidated interim financial statements for the six months ended November 30, 2018. 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 in Burkina Faso, West Africa. See note 5 of the financial statements for the year-ended May 31, 2017 for further information.

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. The licenses held by the optionor expire on August 13, 2019.

To earn its interest in the permit, the Company will pay a total of US$1,180,000 over a 36 month period. The underlying owner of the permit will retain a 1% net smelter return royalty ("**NSR**"). The licenses are valid until August 13, 2019.

The Company carried out a drilling program on the Garsay property and had conducted over 2,063 meters of Rotary Air Blast Drilling and 1,116 meters of Diamond Drilling.

During the nine month period ended February 28, 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.

To earn its interest in the permit, the Company will pay a total of US$1,170,000 over a 36 month period. The underlying owner of the permit will retain a 2% NSR. The license expired March 27, 2018.

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 for the upcoming year to follow up on the Company's previous drill campaigns and exploration work on the permit. However, subsequent to May 31, 2018, 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
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 property is subject to a 2% NSR, 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,		
	2018 $	2017 - $ -	2016 - $ -
Net loss and comprehensive loss	(3,083,315)	(511,616)	(256,286)
Loss per share	(0.06)	(0.01)	(0.03)
Total assets	55,206	2,849,864	260,263
Total liabilities	308,032	75,425	224,495
Total equity	(252,826)	2,774,439	35,768

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.

YEAR ENDING MAY 31, 2017

The Company incurred a net loss of $511,616 during the year ended May 31, 2017, compared to a net loss of $256,286 incurred in the prior year. The most significant items causing a change in the net loss from the prior year are the increase in consulting fees to $197,096 (2016 - $48,850), the increase in office and miscellaneous expenses to $77,000 (2016 - $20,603), increase in professional fees to $46,894 (2016 - $18,096) and increase in property investigation costs to $41,442 (2016 – Nil).

The Company was more active in 2017 compared to 2016 as it moved to complete its due diligence and complete the acquisition of 0909189. This resulted in an increase in the use of consultants as well as legal fees. The Company also required more involvement of key members of the board of directors (the “**Board**”) of the Company to provide additional support and services which increased management fees. The Company also completed several private placements during the year which resulted in increased fees paid to transfer and regulatory agencies and to consultants to assist with marketing and shareholder communications.

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 28, 2017 to November 30, 2018:

	Three months ended:			
	November 30, 2018 $	August 31, 2018 $	May 31, 2018 -$-	February 28, 2018 -$-
Total revenue	-	-	-	-
Net loss for the period	(104,712)	(73,957)	(680,452)	(2,104,413)
Loss per share	(0.01)	(0.01)	(0.01)	(0.04)

	November 30, 2017 -$-	August 31, 2017 -$-	May 31, 2017 -$-	February 28, 2017 -$-
Total revenue	-	-	-	-
Net loss for the period	(224,492)	(73,958)	(64,726)	(212,730)
Loss per share	(0.01)	(0.01)	(0.01)	(0.01)

THREE MONTHS ENDING NOVEMBER 30, 2018

The Company incurred a net loss of $104,712 for the three months ended November 30, 2018 (2017 – $224,492).

The activities for the quarter ended November 30, 2018 were lower compared to the prior year. Property investigation fees decreased to $nil (2017 - $86,905), consulting fees decreased to $29,595 (2017 - $51,054) and professional fees decreased to $20,860 (2017 - $34,593). All other expenses remained relatively similar between the two periods.

The Company had no sources of operating revenues during the three months ended November 30, 2018 and 2017.

SIX MONTHS ENDING NOVEMBER 30, 2018

The Company incurred a net loss of $178,669 for the six months ended November 30, 2018 (2017 – $298,450).

The most significant items causing the decrease in the net loss from the prior period is the decrease in property investigation fees to $684 (2017 - $92,905) relating to the due diligence on the Goran property and the decrease in consulting fees to $57,100 (2017 - $101,119). The Company did increase its Investor relations costs to $30,000 (2017 - $15,000) in an effort to seeking additional financings.

Other costs were relatively similar between the two periods.

The Company had no sources of operating revenues during the six months ended November 30, 2018.

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.

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.

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

	November 30, 2018 -$-	May 31, 2018 -$-
Cash	144,327	53,253
Working capital (deficiency)	($39,437)	(252,826)

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

At November 30, 2018, the Company had $144,327 in cash (May 31, 2018 - $53,253) and a working capital deficit of $39,437 (May 31, 2018 – $252,826) incurring a net loss for the period of $178,669 (May 31, 2018 - $3,083,315) with a cumulative deficit of $6,389,419 (May 31, 2018 - $6,210,750).

During the six months ended November 30, 2018, the Company incurred $49,728 in exploration and evaluation activities on the Mane II property. The Company recently completed a drill program on the property.

On October 12, 2018, the Company completed a non-brokered private placement of 9,895,216 units at a price of $0.05 per unit for gross proceeds of $494,760. Each unit consisted of one common share and one non-transferrable common share purchase warrant, with each warrant entitling the holder to acquire one additional common share of the Company at a price of $0.05 per common share until October 12, 2023. The Company issued 92,000 finder warrants.

On July 12, 2018, the Company completed a non-brokered private placement of 2,751,000 units at a price of $0.05 per unit for gross proceeds of $137,550, of which $56,050 was received as at May 31, 2018. Each unit consists of one common share and one non-transferrable common share purchase warrant, with each warrant entitling the holder to acquire one additional common share of the Company at a price of $0.05 per common share until July 12, 2023. The Company paid share issuance costs of $600 relating to the private placement

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 November 30, 2018, there were no options outstanding for the purchase of common shares.

Finders' Warrants

As at November 30, 2018 and current date, there were 1,734,400 finder's warrants outstanding.

Share Purchase Warrants

As at November 30, 2018, share purchase warrants including finder's warrants were outstanding for the purchase of common shares as follows:

Number of Warrants	Exercise Price per Warrant	Number of Warrants Exercisable	Expiry Date
1,840,000	$ 0.25	1,840,000	February 16, 2019
1,364,000	0.20	1,364,000	March 6, 2019
3,060,000	0.25	3,060,000	March 18, 2019
170,000	0.20	170,000	April 3, 2019
13,392,400	0.25	13,392,400	June 2, 2019
1,188,000	0.25	1,188,000	June 13, 2019
3,475,000	0.25	3,475,000	July 18, 2019
6,970,500	0.20	6,970,500	February 27, 2019
2,751,000	0.05	2,751,000	July 12, 2023
9,987,216	0.05	9,987,216	October 12, 2023
44,198,116		**44,198,116**	

A summary of changes in warrants for the period ended November 30, 2018, and the year ended May 31, 2018 is presented below:

	Period Ended November 30, 2018		Year Ended May 31, 2018	
	Number	**Exercise Price**	**Number**	**Exercise price**
Balance, beginning of period	31,459,900	**$** 0.22	31,459,900	**$** 0.22
Granted	12,738,216	0.05	-	-
Balance, end of period	44,198,116	**$** 0.17	31,459,900	**$** 0.22

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 November 30, 2018, included in accounts payable and accrued liabilities are amounts owing to directors and officers or companies owned by directors and officers of $66,110 (May 31, 2018 - $57,041).

During the period ended November 30, 2018, the Company incurred management fees of $39,500(2017 - $39,000), rent of $6,000 (2017 - $6,000) and secretarial services of $9,338 (2017 - $6,774) with key management personnel or companies controlled by them.

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 December 28, 2018, the Company completed a non-brokered private placement of 500,000 units at a price of $0.05 per unit for gross proceeds of $25,000. Each unit consisted of one common share and one non-transferrable common share purchase warrant, with each warrant entitling the holder to acquire one additional common share of the Company at a price of $0.05 per common share until December 28, 2023.

ADDITIONAL INFORMATION

Off-Balance Sheet Arrangements

As at the current date, the Company had no off balance sheet arrangements.

Legal Proceedings

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

Outstanding Share Data

As at the current date, the Company has 66,702,737 common shares outstanding.

Contingent Liabilities

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

Any forward-looking information in this MD&A 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 six months ended November 30, 2018, 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 and Allan John Fabbro.