



Platinex Inc.
Management's Discussion and Analysis
For the Three and Six Months Ended June 30, 2020

PLATINEX INC.

Management's Discussion & Analysis

For the Three and Six Months Ended June 30, 2020

General

The following Management's Discussion and Analysis ("MD&A") of the financial condition and results of the operations of Platinex Inc. (the "Company" or "Platinex") constitutes management's review of the factors that affected the Company's financial and operating performance for the three and six months ended June 30, 2020. This MD&A was written to comply with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the unaudited condensed interim consolidated financial statements of the Company for the three and six months ended June 30, 2020, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's unaudited condensed interim consolidated financial statements and the financial information contained in this MD&A, unless otherwise indicated, are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee. Information contained herein is presented as of August 31, 2020, unless otherwise indicated.

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

Further information about the Company and its operations can be obtained from the offices of the Company or from www.sedar.com.

Cautionary Statement on Forward Looking Statements

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement. The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

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Forward-looking statements	Assumptions	Risk factors
The Company will be able to continue its business activities.	The Company has anticipated all material costs and the operating activities of the Company, and such costs and activities will be consistent with the Company's current expectations; the Company will be able to obtain equity funding when required.	Unforeseen costs to the Company will arise; ongoing uncertainties relating to the COVID-19 virus; any particular operating cost increase or decrease from the date of the estimation; and capital markets not being favourable for funding resulting in the Company not being able to obtain financing when required or on acceptable terms.
The Company will be able to carry out anticipated business plans.	The operating activities of the Company for the twelve months ending June 30, 2021 will be consistent with the Company's current expectations.	Sufficient funds not being available; increases in costs; ongoing uncertainties relating to the COVID-19 virus; the Company may be unable to retain key personnel.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company's ability to predict or control. Please also make reference to those risk factors referenced in the "Risk Factors" section below. Readers are cautioned that the above chart does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking statements, and that the assumptions underlying such statements may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

Overview of Company

The Company was incorporated on August 12, 1998 under the laws of the Province of Ontario and trades on the Canadian Securities Exchange under the symbol "PTX". The Company is at the exploration and evaluation stage and is engaged in the acquisition, exploration and development of properties for the mining of precious and base metals. The Company is in the process of exploring its resource properties for mineral resources and has not determined whether the properties contain economically recoverable reserves. Recovery of amounts reported for mineral properties and related deferred expenditures is dependent upon the existence of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to conduct exploration and the ability of the Company to recover value for its properties and/or upon future profitable production.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. Recoverability of the carrying value of exploration properties and the Company's continued existence are dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves and the development and/or sale of such properties at a profit.

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The Company has limited financial resources and negative operating cash flow. Until profitable production can be reached, the Company is dependent on debt or equity financings and/or the sale, lease or farm-out of exploration and evaluation assets to provide the funds necessary for the Company's operating and capital expenditures. Although the Company has been successful in the past in obtaining requisite funding, there can be no assurance that additional funding in amounts and on terms satisfactory to the Company will be available on a timely basis to fund the further exploration and development of its properties, to fulfill its obligations under applicable agreements. Failure to obtain such funding has resulted in delays and could result in the delay or indefinite postponement of further exploration and development of the Company's properties and in the possible dilution or loss of interests in such properties. If the Company raises additional funding through the issue of equity securities, such financings may dilute the holdings of the Company's existing shareholders.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of development of such properties these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, unregistered claims, aboriginal claims, breakdown in law and order, arbitrary and punitive actions of governments and their failure to comply with their own laws and regulations.

In order to sustain its operations, the Company requires additional funds to discharge its liabilities, conduct work programs and meet overhead expenses. The Company continues to seek capital through various means including farm-out / joint venture partnerships and the issuance of equity or debt.

Overall Performance and Market Trends

The Company is in the exploration stage on its various properties and therefore it has no revenues to fund such activities. The Company accesses the public markets to finance exploration activity; the ability to raise additional capital is subject to prevailing market conditions. The projects do not have a defined mineral resource in place whereby the Company can establish a measured asset value. However, based on independent NI 43-101 technical reports, internal summary reports prepared on Company properties and adjacent properties and industry trends, the Company's management believes that further exploration work is warranted.

The market decline in 2008 and then 2011 has made it very difficult to finance property exploration through issuance of equity. Many junior mining companies trade at a significant discount to the underlying book value of their net assets. In order to attract investment, it is necessary for a company to distinguish itself from its competitors. Therefore, the Company is considering various strategies to maximize the value of the Shining Tree Gold property (described under Properties). On August 23, 2019, the Company reaffirmed its intention to continue to operate as a mineral exploration issuer under the policies of the Canadian Securities Exchange ("CSE").

Due to the worldwide COVID-19 pandemic, material uncertainties may arise that could influence management's going concern assumption. Management cannot accurately predict the future impact COVID-19 may have on:

- Global gold prices;
- Demand for gold and the ability to explore for gold;
- The severity and the length of potential measures taken by governments to manage the spread of the virus, and their effect on labour availability, project permitting, and supply lines;
- Availability of government supplies, such as water and electricity;
- Purchasing power of the Canadian dollar; and
- Ability to obtain funding.

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Notwithstanding the above cautionary points the price of gold normally escalates during periods when international and especially US money supply is increasing which may be exacerbated at times of crisis such as has been brought on by the COVID-19 pandemic. In the last year the price of gold has increased by over 33%.

At the date of this MD&A, the Canadian federal government and the provincial government of Ontario have not introduced measures that have directly impeded the operational activities of the Company. Due to recent financing and liquidity in the Company's stock, management believes the business will continue and, accordingly, the current situation has not impacted management's going concern assumption. However, it is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods.

Corporate Highlights

- On January 28, 2020 and March 3, 2020, the Company completed the second and third closings of a non-brokered private placement, issuing a total of 1,100,000 units for gross proceeds of \$33,000. Each unit consists of one common share of the Company and one warrant of the Company. Each warrant entitles the holder to acquire one additional common share at an exercise price of \$0.075 for a period of 24 months from issuance. All securities issued in connection with this private placement will be subject to a four month plus one day hold period from the date of issuance in accordance with applicable securities laws.
- On March 11, 2020, the Company and Treasury Metals Inc. ("Treasury") entered into a non-binding heads of agreement between the two companies (the "Transaction") which closed on July 15, 2020:
 - a) Treasury transferred a 100% interest in its 280 claim unit 5,045 Ha. (12,466 ac.) Shining Tree Fawcett East property (the "Shining Tree East Property") to Platinex, to create the largest combined gold focused property package in the Shining Tree District, Northern Ontario (the "Shining Tree Property"). The Shining Tree Property is located on 21km of the Ridout-Tyrrell Deformation Zone which also hosts both IAMGOLD's Côte Lake gold deposit and Caldas Gold's Jubly deposit;
 - b) Treasury will transfer to Platinex royalties comprising three Ontario and Chile based exploration projects covering gold, PGM's and base metal opportunities (the "Royalties") to enhance Platinex's existing royalty portfolio;
 - c) In consideration for acquiring the Shining Tree East Property and the Royalties, Platinex will issue to Treasury 12,500,000 common shares ("Consideration Shares") of Platinex and 5,000,000 non-transferable common share purchase warrants ("Consideration Warrants") of Platinex. Each Consideration Warrant will be exercisable at a price of \$0.05 per share for 24 months from the date of issuance,
 - d) If Treasury exercises the Consideration Warrants on or before September 1, 2020, it will receive an additional non-transferable common share purchase warrant (a "Secondary Warrant") for each Consideration Warrant exercised. Each Secondary Warrant entitles the holder to purchase one common share of Platinex at a price of \$0.20 per share for a period of 24 months from the date of the closing of the Acquisition. The Secondary Warrants provide that Treasury shall not exercise the Secondary Warrants if such exercise would result in it owning 20% or more of the issued and outstanding common shares of Platinex.
 - e) The parties have agreed that the Consideration Shares will be placed in a voluntary escrow agreement, with 25% (3,125,000 Consideration Shares) to be released on the 12th, 15th, 18th and 24th month anniversaries of the closing of the Acquisition.
 - f) Treasury has agreed to support and vote for Company's management at all shareholder meetings of the Company held the time that the Consideration Shares are held in escrow.;
 - g) Treasury will contribute operational efficiencies between the two companies with a view to provide effective management going forward to advance the Shining Tree Property;

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- h) Platinex will grant Treasury a first right of refusal to participate in further financings of Platinex shares for a period of two years to maintain its percentage interest; and
 - i) Treasury will have the right to appoint a nominee to the board of directors of Platinex.
- In May 2020, the Company received a government guaranteed loan of \$40,000 to help with operating costs during COVID-19. The loan is interest-free until December 31, 2022. 25% of the loan amount is eligible for forgiveness provided that the Company pays back 75% of the loan on or before December 31, 2022. If the Company does not repay the loan by December 31, 2022, the loan may be converted into a 3-year term loan at an interest rate of 5%.
 - On July 15, 2020, the Company completed a non-brokered private placement (the "Private Placement"), issuing a total of 11,843,333 units ("Units") for gross proceeds of \$355,300. Each Unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to acquire one additional common share at an exercise price of \$0.075 for a period of 24 months from the date of issuance.

In connection with the Private Placement, the Company paid Haywood Securities Inc. and Canaccord Genuity Corp. ("Finders") an aggregate of (i) cash fees of \$16,824, equal to 8% of the subscription proceeds realized from subscribers introduced to the Private Placement by such Finders; and (ii) 560,800 finder's warrants, representing 8% of the number of Units purchased by subscribers referred by the Finders. Each finder's warrant entitles the holder to purchase one common share of the Company at a price of \$0.05 for a period of 12 months from the date of issuance. All securities issued in connection with this Private Placement will be subject to a four month plus one day hold period from the date of issuance in accordance with applicable securities laws.

- On July 24, 2020, the Company granted stock options to purchase 3,175,000 common shares at \$0.085 per share to officers and directors. The options will expire on July, 24, 2025.
- On August 10, 2020, the Company announced a non-brokered private placement up to \$1,000,000 with a lead order from Palisades Goldcorp of \$700,000. The non-brokered private placement shall consist of up to 14,285,715 units at \$0.07 per unit to raise \$1,000,000.

On August 26, 2020, the Company completed this non-brokered private placement, issuing a total of 13,722,000 units for gross proceeds of \$960,540 with a lead order from Palisades Goldcorp. Each unit consists of one common share and one common share purchase warrant of the Company. Each warrant entitles the holder to acquire one additional common share at an exercise price of \$0.10 for a period of 36 months from the date of issuance.

In connection with this private placement, the Company paid Haywood Securities Inc., Canaccord Genuity Corp. and Mackie Research Capital Corporation (collectively, "Finders") aggregate cash fees of \$13,112, equal to 6% of the subscription proceeds realized from subscribers introduced to the Private Placement by such Finders.

- On August 14, 2020, the Company granted stock options to purchase 200,000 common shares at \$0.07 per share to consultants. The options will expire on August 14, 2025.
- On August 14, 2020, Skead Holdings Ltd and Ashley Gold Mines Limited waived the requirement for Platinex to conduct and file \$140,000 of assessment work prior to August 17, 2020.
- On August 17, 2020, the Company announced the appointment of Mr. Graham Warren as Chief Financial Officer and Corporate Secretary of the Company. The Company also granted stock options to purchase 300,000 common shares at \$0.07 per share to a senior officer and consultants. The options will expire on August 17, 2025.

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Properties

The Company maintains an interest in several gold properties. Each property requires assessment work to keep it in good standing. Work may involve airborne geophysical surveys, ground geological, geophysical, and geochemical surveys with line-cutting and drilling. Due to the COVID-19 pandemic the Ontario government has issued some relief provisions enabling companies to seek an exclusion of time for up to one year on claims coming due for assessment. The provisions were established in April 2020 and will remain available on claims which require relief until March 31, 2021

The properties are described below:

a) Shining Tree Gold Property

In 2011, the Company vested an option agreement with Skead Holdings Ltd., with respect to 139 claim units (5,680 acres or 2,299 ha), situated in Churchill, MacMurchy and Asquith Townships in Ontario (the "Shining Tree Property"). The Company now holds a 100% interest in the claims subject to a 3% NSR and advance royalty payments of \$10,000 per year commencing in April 2019.

Platinex may eliminate the requirement for future advance royalty payments by making a one-time advance royalty payment of \$100,000. Two thirds of the 3% NSR may be reduced by staged payments totaling \$1.75 million. If Skead Holdings Ltd wishes to sell the residual royalty interest the Company retains a right of first refusal to purchase the NSR. On May 10, 2012, the Company acquired a lease (40 acres, 16 ha) from Gary John McBride for 200,000 shares of the Company. The lease is central to the Shining Tree property.

Subsequently, the company entered into two agreements in August 2016 and a further five agreements in November, 2016, January, 2017, March, 2017, April, 2017 and June 2017 and staked claims in December, 2016 which significantly expand the size and potential of its Shining Tree gold property. Platinex has entered into an option agreement with Skead Holdings Ltd. and Ashley Gold Mines Limited, with respect to certain claims situated in Churchill, MacMurchy and Asquith Townships, in Ontario. Platinex has the right to acquire a 100%-interest in the 54 claim units and a 50% interest in a further 8 claim units (991 ha or 2,480 acres), subject to a 2% NSR, by issuing 200,000 shares of Platinex, and by making cash payments (or share equivalent) of \$95,000 and by incurring property expenditures of \$500,000 during the ensuing four-year period to August 17, 2020. Platinex also entered into an agreement with two prospectors to purchase a 100% interest in four claims comprising 20 claim units (320 ha or 800 acres) in Churchill, MacMurchy and Asquith Townships, in Ontario by issuing 400,000 shares of Platinex. Platinex subsequently entered into five agreements with one prospector to purchase a 100% interest in: ten claims comprising 70 claim units (1,120 ha or 2,800 acres) for 398,000 shares on November 3, 2016; four claims comprising 43 claim units (688 ha. or 1,720 acres) for 71,429 shares on January 25, 2017; eight claims comprising 96 claim units (1,536 ha or 3,840 acres) for 86,705 shares on March 30, 2017; 21 claims comprising 267 claim units (4,272 ha or 10,680 acres) for 391,250 shares on April 20, 2017 and 9 claims comprising 127 claim units (2,032 ha or 5,080 acres) for \$5,000 and 436,190 shares on June 20, 2017. Platinex also staked claims comprising 45 claim units (720 ha or 1,800 acres). Six claim units were subsequently included in the Skead Agreement. On December 12, 2017, the Company issued 138,888 shares to Skead Holdings Ltd. and Ashley Gold Mines Limited to satisfy a portion of a \$25,000 option payment on the Skead-Ashley option.

In January and March 2019, the following amendments were made to option agreement with Skead Holdings Ltd. and Ashley Gold Mines Limited:

- (i) The \$25,000 option in arrears was increased to \$30,000 on January 18, 2019 and satisfied through the issuance of shares (shares issued in January 2019);
- (ii) Final option payment of \$30,000 (payable in cash) due August 17, 2019;
- (iii) Year 3 expenditures of \$150,000 due on or before August 17, 2020;

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(iv) Year 4 expenditures of \$200,000 due on or before August 17, 2021.

The property acquisition has encircled the former producing Ronda Gold Mine and includes the southern half of the workings enhancing the Shining Tree property's exposure to the intersection of a major east-west gold bearing structure, the Ridout-Tyrrell Deformation Zone and a north-south fault.

A NI 43-101 technical report dated June 8, 2018 prepared by Hrayr Agnerian covers the expanded property and has been filed on SEDAR.

On March 25, 2019 Platinex Inc. amended its Option Agreement with Skead Holdings Ltd. And Ashley Gold Mines Limited ("**Skead-Ashley**") to segment claim L4212960 which is held 50% by Skead-Ashley, from the remainder of the optioned property which is held as to 100% by Skead-Ashley.

On April 12, 2019 Platinex assigned its rights to the option on claim L4212960 to Treasury Metals Inc. for \$25,000 cash and a 1% NSR in the 50% interest in claim L4212960. The residual requirements of Platinex under the Skead Ashley agreement were accordingly amended to:

- a) Final option payment of \$28,000 (payable in cash) due August 17, 2019;
- b) Year 3 expenditures of \$140,000 due on or before August 17, 2020;
- c) Year 4 expenditures of \$186,667 due on or before August 17, 2021.

On September 9, 2019, Platinex made the final option payment of \$28,000 to Skead-Ashley in accordance with the amended agreement.

On August 14, 2020 the 2020 assessment requirement on the Skead-Ashley option was waived.

In April 2020, some 50 cell units in Kelvin Twp expired. On May 22, 2020, Platinex acquired 60 cell units by staking.

Giving consideration to the above changes Platinex held some 860 cells and partial cells comprising 15,229 ha or 37,616 acres.

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On July 15, 2020, the Company and Treasury Metals Inc. ("Treasury") entered into an agreement between the two companies (the "Transaction"):

- a) Treasury will transferred a 100% interest in its 280 claim unit 5,045 Ha. (12,466 ac.) Shining Tree Fawcett East property (the "Shining Tree East Property") to Platinex, to create the largest combined gold focused property package in the Shining Tree District, Northern Ontario (the "Shining Tree Property"). The Shining Tree Property is located on 21km of the Ridout-Tyrrell Deformation Zone which also hosts IAMGOLD's Côté Lake gold deposit and Caldas Gold's Jubé deposit;
- b) Treasury will transfer to Platinex royalties comprising three Ontario and Chile based exploration projects covering gold, PGM's and base metal opportunities (the "Royalties") to enhance Platinex's existing royalty portfolio;
- c) In consideration for acquiring the Shining Tree East Property and the Royalties, Platinex will issue to Treasury 12,500,000 common shares ("Consideration Shares") of Platinex and 5,000,000 non-transferable common share purchase warrants ("Consideration Warrants") of Platinex. Each Consideration Warrant will be exercisable at a price of \$0.05 per share for a period of twenty four months from the date of issuance. Treasury shall not exercise the Consideration Warrants if such exercise would result in Treasury owning 20% or more of the issued and outstanding Platinex Shares. However, Treasury is committed to exercising 3,000,000 of the consideration warrants on or before September 1, 2020;
- d) If Treasury exercises the Consideration Warrants on or before September 1, 2020, it will receive an additional non-transferable common share purchase warrant (a "**Secondary Warrant**") for each Consideration Warrant exercised. Each Secondary Warrant entitles the holder to purchase one common share of Platinex at a price of \$0.20 per share for a period of 24 months from the date of the closing of the Acquisition. The Secondary Warrants provide that Treasury shall not exercise the Secondary Warrants if such exercise would result in it owning 20% or more of the issued and outstanding common shares of Platinex.
- e) Treasury will contribute operational efficiencies between the two companies with a view to provide effective management going forward to advance the Shining Tree Property;
- f) Treasury will undertake to support Platinex's management for a two-year period in shareholder votes;
- g) Platinex will grant Treasury a first right of refusal to participate in further financings of Platinex shares for a period of two years to maintain its percentage interest; and
- h) Treasury will have the right to appoint a nominee to the board of directors of Platinex.
- i) Giving consideration to the combined property areas and adjustments to area created due to expansion of boundary cells as a result of the new Mining Act in the province the total area of the property now stands at 20,750 Ha or 51,274.4 ac.

b) Herrick Deposit

The Herrick deposit was discovered in 1918 and subsequently was developed by a 94 m shaft with 345 m of lateral development on two veins. In 1989 Unocal Ltd. evaluated the historic data and, based on that, stated a potential for the system to carry 5,716 tonnes per vertical metre at 7.2 g/t Au over a width of 1.8 m (400 ounces per vertical foot), Unocal carried out diamond drilling of 11 holes for 1,473m and collected 201 channel samples and 35 composite grab samples on the Herrick vein. In 1990 Fort Knox Gold Inc. followed this work with 45 further channel samples and confirmed the presence of gold mineralization over a 385m strike length, obtaining samples grading up to 56.5 g/t Au over 1.0 m.

Between 2009 and 2011, the Company has drilled 51 holes for 6,190m on the Herrick deposit. All except one of the holes returned gold values and the deposit has been tested along a 380m strike length and to 300m depth. It is open in all directions.

c) Gold in Glacial Till

The company has been conducting an ongoing basal till sampling program and 446 samples have been processed by Overburden Drilling Management. Many of the samples contain pristine gold indicating a

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nearby bedrock source. The Company views this result as the initial step in locating and identifying one or more major gold deposits

Acquisition of a significant strike extent along the Ridout-Tyrrell Deformation Zone give Platinex access to a very prospective source for the gold. This deformation zone remains largely underexplored.

Gold is known as the best pathfinder to gold, intuitively providing the most direct path to a significant discovery. Less direct indicators of gold including other geochemical, geophysical and geological expressions are less reliable indicators of gold in the ground. Not all major gold deposits in glaciated terrains provide evidence of their existence through gold dispersion trains. However, gold dispersion trains are always pathfinders to sources of gold in place and major gold dispersion trains are either associated with major gold deposits or multiple spatially concentrated gold deposits. This is the promise of the Shining Tree property.

d) Highlights for the Potential of the Shining Tree Property

The more salient aspects of the property's potential include:

1. Mining camp scale property which de-risks chances of exploration failure. Shining Tree is a virtually pristine property from a modern exploration viewpoint sited in the Abitibi Orogen which is one of the most prolific known gold belts in the world.
2. Gold in till results work needs to be followed up and expanded.
3. Presence of a major gold bearing deformation zone (Ridout-Tyrrell Deformation Zone) for at least a 21 km strike length which has not been a focus of prospecting or exploration in the past.
4. Proximity to a gold porphyry in the area (Cote Lake) which is older than other known gold deposits in the Abitibi, is the only known gold porphyry deposit in the Abitibi, and its provenance and possible repetition are yet to be determined.
5. Presence of many gold prospects and deposits with limited modern exploration.
6. Existence of at least two persistent types of gold association. (gold-arsenic and gold-telluride association). These are signature features prominent in major gold camps such as Kirkland Lake and Red Lake.
7. Continuity of gold mineralization hole to hole as at the Herrick deposit has positive size implications. If the gold grades found in near surface sampling (eg 7-12 g/t Au) repeats at depth there may be potential to find a deposit like the West Timmins Mine at depth.
8. Proximity along east west structures to two significant scale gold deposits (Cote Lake (6.5 million ounces Au indicated resources inclusive of resources) and the Juby (approximately 4 million ounce Au)).
9. The development of a mill at Cote Lake will bring milling capacity and mining infrastructure closer to Shining Tree and increase the intrinsic value and potential of the property.
10. The bulk of the property is 100% owned by Platinex with no underlying royalties. A small portion of this is subject to a 3%NSR and \$10,000 annual advance royalty payments. The remaining portion of the property is subject to an option agreement with favourable terms.
11. There is a team of prospector-vendors and consulting geologists very knowledgeable about the property and the belt and who have collaborated to build up this opportunity and remain as a resource.

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e) Memorandum of Understanding

In October 2017, the 2009 exploration agreement with Mattagami and Matachewan First Nations was amended to include the additional claim units to the Shining Tree property. A revised mineral exploration plan under the New Ontario Mining Act was submitted in 2017 and came into effect in February, 2018. A 3 year exploration permit was approved in February 2018. Platinex issued 100,000 common shares of the Company to Mattagami First Nation in consideration of assistance they provided in facilitating the permitting process during exploration and the receipt of a written report identifying traditional knowledge and activities in reference to the Shining Tree property.

For the purpose of this MD&A, James R. Trusler, P.Eng., Chairman and Interim CEO of the Company is the Qualified Person.

Summary of Quarterly Information

The following table sets out financial performance highlights for the last eight fiscal quarters.

	Jun-20	Mar-20	Dec-19	Sept-19	Jun-19	Mar-19	Dec-18	Sept-18
	\$	\$	\$	\$	\$	\$	\$	\$
Expenses	98,021	48,733	265,326	92,632	52,082	46,728	2,369,332	405,250
Net loss	98,021	48,733	265,326	92,632	52,082	46,728	2,369,332	405,250
Loss per share basic	0.0009	0.0005	0.0027	0.0009	0.0005	0.0004	0.0243	0.0042
Loss per share diluted	0.0009	0.0005	0.0027	0.0009	0.0005	0.0004	0.0243	0.0042

Financial Position:

Financial Position	Jun-20	Mar-20	Dec-19	Sept-19	Jun-19	Mar-19	Dec-18	Sept-18
	\$	\$	\$	\$	\$	\$	\$	\$
Total assets	114,974	70,905	65,736	181,756	156,233	134,937	106,221	2,404,907
Total long-term Liabilities	-	-	-	-	-	-	-	-
Shareholders' Equity (Deficiency)	(597,730)	(499,709)	(483,976)	(231,650)	(239,018)	(199,336)	(188,608)	2,175,124

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Results of Operations

For the three months ended June 30, 2020 compared to the three months ended June 30, 2019

The Company's net loss totaled \$98,021 for the three months ended June 30, 2020, with basic and diluted loss per share of \$0.0009. This compares with a net loss of \$52,082 with basic and diluted loss per share of \$0.0004 for the three months ended June 30, 2019. The increase in net loss of \$45,939 was primarily attributable to:

- For the three months ended June 30, 2020, the Company incurred \$65,397 in professional fees compared to \$15,198 for the comparable 2019 period. The increase in the 2020 period resulted from the need to engage additional professional services to execute the Company's business strategy in 2020.
- For the three months ended June 30, 2020, the Company incurred \$20,250 in management fees, compared to \$38,640 for the three months ended June 30, 2019. In the 2020 period, management agreed to partial consideration for services rendered until the Company's cash flow position improves.
- For the three months ended June 30, 2019, the Company realized a \$25,000 gain from the sale of an option agreement in the Shining Tree Property.

For the six months ended June 30, 2020 compared to the six months ended June 30, 2019

The Company's net loss totaled \$146,754 for the six months ended June 30, 2020, with basic and diluted loss per share of \$0.0014. This compares with a net loss of \$98,810 with basic and diluted loss per share of \$0.0010 for the six months ended June 30, 2019. The increase in net loss of \$47,944 was primarily attributable to:

- For the six months ended June 30, 2020, the Company incurred \$78,058 in professional fees compared to \$44,710 for the comparable 2019 period. The increase in the 2020 period resulted from the need to engage additional professional services to execute the Company's business strategy in 2020.
- For the six months ended June 30, 2020, the Company incurred \$40,500 in management fees, compared to \$48,960 for the six months ended June 30, 2019. In the 2020 period, management agreed to partial consideration for services rendered until the Company's cash flow position improves.
- For the six months ended June 30, 2019, the Company realized a \$25,000 gain from the sale of an option agreement in the Shining Tree Property.

PLATINEX INC.

Management's Discussion & Analysis

For the Three and Six Months Ended June 30, 2020

Liquidity and Capital Resources

At June 30, 2020, the Company had a working capital deficiency of \$558,486 (working capital deficiency of \$484,938 – December 31, 2019) and cash balances of \$50,080 (\$1,154 – December 31, 2019).

	June 30 2020	December 31 2019
Cash	\$ 50,080	\$ 1,154
Other current assets	64,138	63,620
Current liabilities	(672,704)	(549,712)
Working capital (deficiency)	\$ (558,486)	\$ (484,938)

Working capital (deficiency) is defined as current assets net of current liabilities, which is a non-GAAP measure. Non-GAAP financial measures do not have any standardized meanings prescribed by IFRS and therefore may not be comparable to similar measures presented by other issuers. However, management believes that it is a useful in assessing the Company's liquidity.

The Company has limited financial resources and no source of operating revenue. In the past, it has relied on debt and equity financings to maintain its exploration, environmental permitting, and engineering and development activities and meet its administrative costs. The Company continues to seek capital through various means including the possible joint venturing of a direct interest in its projects and by the issuance of equity and/or debt. If the Company experiences significant delays in obtaining additional funding necessary to fund its ongoing operating and capital requirements, this may have a material adverse impact on the Company's financial condition, business and plan of operations.

The mineral properties in which the Company currently has an interest are in the exploration stages and, consequently, the Company has no current source of operating revenue and is dependent on external financing to fund continued exploration and development of its mineral properties. Historically, the Company's principal sources of funding have been the issuance of equity securities for cash and interest income from short-term investments.

The challenging financial markets currently faced by companies in the junior mining sector generally, have had a significant adverse effect on the Company's share price and on its ability to raise additional funds through equity financings on a timely basis. The Company has taken steps to conserve cash pending completion of additional financings.

Transactions with Related Parties

Related parties include the Board of Directors and other key management personnel, close family members and enterprises that are controlled by these individuals. Related party transactions are conducted in the normal course of operations and are measured at the exchange value (the value amount established and agreed to by the related parties).

The following summarizes the Company's related party transactions for the periods are presented below:

	Three months ended June 30, 2020	Three months ended June 30, 2019	Six months ended June 30, 2020	Six months ended June 30, 2019
Rent paid	\$ 1,500	\$ 4,000	\$ 3,000	\$ 6,000

PLATINEX INC.

Management's Discussion & Analysis

For the Three and Six Months Ended June 30, 2020

Key management personnel is defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company. Company's key management personnel include the Chief Executive Officer, the Chief Financial Officer and the Corporate Secretary.

Remuneration of key management of Company for the periods are presented below:

	Three months ended June 30, 2020	Three months ended June 30, 2019	Six months ended June 30, 2020	Six months ended June 30, 2019
Management fees	\$ 20,250	\$ 38,640	\$ 40,500	\$ 48,960
Professional fees	8,782	10,586	18,443	26,538
Share based compensation	nil	7,400	nil	7,400
	<u>\$ 29,032</u>	<u>\$ 56,626</u>	<u>\$ 58,943</u>	<u>\$ 82,898</u>

As at June 30, 2020, related parties were owed \$260,632 (December 31, 2019 - \$215,572) recorded in accounts payable and accrued liabilities.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Proposed Transactions

There are no material decisions by the Board of Directors of the Company with respect to any imminent or proposed transactions that have not been disclosed.

New Accounting Policies

IAS 1, Presentation of Financial Statements ("IAS 1")

Amendments to IAS 1, issued in October 2018, provide clarification on the definition of material and how it should be applied. The amendments also align the definition of material across IFRS and other publications. The amendments are effective for annual periods beginning on or after January 1, 2020 and are required to be applied prospectively. The adoption of the amendments had no impact on the Company's unaudited condensed interim consolidated financial statements.

IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8")

Amendments to IAS 8, issued in October 2018, provide clarification on the definition of material and how it should be applied. The amendments also align the definition of material across IFRS and other publications. The amendments are effective for annual periods beginning on or after January 1, 2020 and are required to be applied prospectively. The adoption of the amendments had no impact on the Company's unaudited condensed interim consolidated financial statements.

Additional Disclosure for Venture Issuers without Significant Revenue

The accumulated costs relating to the Company's interests in mineral properties are detailed in the unaudited condensed interim consolidated financial statements and notes for the three and six months ended June 30, 2020.

PLATINEX INC.

Management's Discussion & Analysis

For the Three and Six Months Ended June 30, 2020

Disclosure of Outstanding Share Data

The number of common shares of the Company outstanding and the number of common shares issuable pursuant to other outstanding securities of Platinex as at August 31, 2020 are as follows:

Securities	As at August 31, 2020
Common shares outstanding	142,130,260
Issuable under options	11,275,000
Issuable under warrants	56,830,965
Total securities	210,236,225

Disclosure of Internal Controls

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence to ensure that (i) the unaudited condensed interim consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the unaudited condensed interim consolidated financial statements, and (ii) the unaudited condensed interim consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flow of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

- (i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- (ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements for external purposes in accordance with the issuer's GAAP (IFRS).

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in the certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

PLATINEX INC.

Management's Discussion & Analysis

For the Three and Six Months Ended June 30, 2020

Risk Factors

The Company's financial condition, results of operation and business are subject to certain risks, which may negatively affect them. A detailed discussion of these risks can be found on pages 18 to 23 of our Annual MD&A for the financial period ended December 31, 2019 under "Risk Factors" (available on SEDAR at www.sedar.com) and elsewhere in this MD&A, including under "Cautionary Note Regarding Forward-Looking Information".

Additional Information

Additional information regarding the Company is available on SEDAR at www.sedar.com.