



ADAMERA MINERALS

ADAMERA MINERALS CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

OVERVIEW AND INTRODUCTORY COMMENT

Adamera Minerals Corp. (“Adamera” or the “Company”) is an exploration stage company engaged in the acquisition and exploration of precious metals. The principal properties are located in Washington State, USA. The Company also holds properties in northern Canada throughout Nunavut (“NU”) and the Northwest Territories (“NWT”). The Company acquires properties directly by staking, through option agreements with prospectors or other exploration companies, and through reconnaissance programs. The Company trades on the TSX Venture Exchange (“Exchange”) under the symbol “ADZ” and is a reporting issuer in British Columbia and Alberta. The Company also trades on the OTC Marketplace in the United States under the symbol “DDNFF”.

This MD&A is dated November 29, 2017 and discloses specified information up to that date. Unless otherwise noted, all currency amounts are expressed in Canadian dollars. The following information should be read in conjunction with the unaudited condensed consolidation interim financial statements and the related notes for the nine months ended September 30, 2017 and the Company’s audited consolidated financial statements for the year ended December 31, 2016 and the related notes thereto.

Additional information relevant to the Company and the Company’s activities can be found on SEDAR at www.sedar.com, and/or on the Company’s website at www.adamera.com.

MAJOR INTERIM PERIOD OPERATING MILESTONES

Cooke Mountain Project, Washington, USA

On June 6, 2017, Adamera announced that it planned a 3,000-metre phase 1 diamond drill program to test several developed targets.

On June 13, 2017, the Company announced that it has intersected a massive magnetite zone with significant sulfides in the first drill hole (drill hole OS17-01) on the Oversight property in Washington State. This zone is distinctly similar to the ore zones described in the Overlook Gold Mine. Assays are pending.

On September 7, 2017 and September 25, 2017, the Company provided updates on its drill program, with drill holes OS17-01 and OS17-03 containing shallow zones with high-grade gold and drill hole OS17-02 intersecting a late-stage intrusive and only minor gold mineralization without adequately testing the VTEM target.

Three additional conductors were tested by drill holes HLK17-01, HLK17-02 and GF17-01 (Big Banana). All intersected zones with graphite and sulfides at the target depth. Results for HLK17-02 and GF17-01 are pending. Results received for HLK17-01 showed no significant gold.

On October 17, 2017 and October 24, 2017, the Company further updated the progress on its drill program. Drill hole OS17-06 intersected two high-grade zones near the former Overlook gold mine. An upper zone assayed 9.9 grams per tonne gold over 2.1 metres with a deeper interval returning 9.6 grams per tonne gold over 10.9 metres.



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On November 22, 2017, the Company announced that drill hole OS17-07 intersected two mineralized zones, with an upper zone that assayed 2.9 grams per tonne gold over two metres and a lower zone of 2.4 grams per tonne over 5.7 metres including a 5.84 grams per tonne interval. These intersections are approximately 35 metres northeast of drill hole OS17-06.

The lithologies intersected in drill hole OS17-07 correlate well with lithologies encountered in drill hole OS17-06. Voids and fragmented rock encountered immediately above the upper mineralized zone in both drill holes may be related to past mining activity. More importantly, the high-grade Deep Overlook zone, which is separated from the upper zone by unmineralized limestone, shows no evidence of previous mining and lies below the level of most of the Overlook mine workings. Deep Overlook may represent a completely new zone of high-grade gold mineralization that is essentially unexplored, notwithstanding its proximity to the old Overlook mine.

Adamera has identified additional drill hole locations to extend the Deep Overlook mineralized zone and is currently seeking clarification on the precise location of the Overlook mine workings to minimize the difficulties of drilling through old workings when targeting the Deep Overlook zone below. In addition to these upcoming holes to expand Deep Overlook, the Company is also planning to drill the SE-01 (see news release on October 17, 2017) and Key West North targets once permits are granted. These permits are expected shortly. Notwithstanding periodic snowfalls, drilling can be conducted year-round in this area.

The combination of new gold intercepts from drill holes OS17-06 and OS17-07 related to the VTEM conductor at depth and the shallow silica-altered high-grade gold intercepts from drill holes OS17-01 and OS17-03 suggest significant new targets at Overlook. The shallow and deep targets present separate and distinct styles of gold mineralization and both appear to have good scale potential based on Adamera's recent work. An extensive drill program to test both deep and shallow forms of mineralization is being planned.

On November 28, 2017, the Company announced the discovery of high-grade gold in outcrop near the Overlook Gold Mine. Rock samples collected from the area assayed 64 g/t, 37 g/t, 30 g/t, 7.8 g/t and 2.1 g/t gold. This new prospect, called Outlook Ridge, and the high-grade samples are located on northeast trending linear features that pass through both the Overlook and Key West deposits.

Nunavut and Northwest Territories, Canada

Nunavut government has notified the Company that a fuel drum had leaked. Adamera has submitted a plan for clean-up.

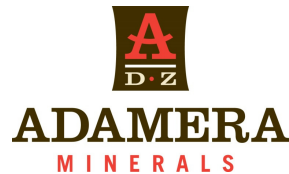
INTERIM PERIOD FINANCIAL CONDITION

Capital Resources

During the nine months ended September 30, 2017, 30,473,167 warrants were exercised for proceeds of \$2,721,277 and a total of 575,000 options were exercised for gross proceeds of \$37,875. Subsequent to September 30, 2017, 140,000 warrants were exercised for gross proceeds of \$7,000.

These funds will be used to continue the execution of the Company's program at the Cooke Mountain project as well as for general and administrative costs.

The Company is aware of the current conditions in the financial markets and has planned accordingly. The Company's current treasury and the future cash flows from equity issuances and the potential exercise of warrants and options, along with the planned developments within the Company will allow its



efforts to continue throughout 2017. If the market conditions prevail or improve, the Company will make adjustment to budgets accordingly.

Liquidity

As at September 30, 2017, the Company had working capital of \$457,509 (December 31, 2016 – working capital deficiency of \$236,309). As at September 30, 2017, cash totaled \$695,561, an increase of \$255,791 from \$439,770 as at December 31, 2016. The increase was due to \$2,759,152 cash received from the exercise of warrants and stock options and offset by (a) operating activities of \$960,616 and (b) expenditures on mineral properties of \$1,462,806 and an increase in deposits related to the mineral properties of \$72,607.

Operations

For the three months ended September 30, 2017 compared with the three months ended September 30, 2016:

Excluding the non-cash depreciation of a negative amount of \$6,175 (2016 – depreciation of \$2,377) and share-based compensation of \$Nil (2016 - \$280,489), the Company's general and administrative expenses amounted to \$126,920 (2016 - \$128,973), a decrease of \$2,053. The change in the expenses was mainly due to increase in consulting fees of \$10,265 (2016 - \$1,521) while offset by decrease in wages and benefits \$39,841 (2016 - \$56,346). During the three months ended September 30, 2017, the Company reclassified the depreciation of field equipment as mineral properties expenditures.

During the three months ended September 30, 2017, the Company reported a loss of \$120,745 (2016 – \$411,839), a decrease of \$291,094.

For the nine months ended September 30, 2017 compared with the nine months ended September 30, 2016:

Excluding the non-cash depreciation of \$1,759 (2016 - \$7,130) and share-based compensation of \$605,025 (2016 - \$280,489), the Company's general and administrative expenses amounted to \$503,114 (2016 - \$227,278), an increase of \$275,836. The change in the expenses was mainly due to increases in: (a) accounting and audit of \$59,940 (2016 - \$22,860); (b) wages and benefits \$217,117 (2016 - \$63,071); and (c) consulting fees of \$46,605 (2016 - \$5,408). All such increases are mainly because the Company compensated the Chief Executive Officer in 2017 for its reduced wages in fiscal 2015 and 2016 while the Company was conserving its cash in fiscal 2016 versus during the nine months in fiscal 2017, the Company was active in its exploration program in its Cooke Mountain property.

During the nine months ended September 30, 2017, the Company reported a loss of \$1,109,898 (2016 – \$514,897), an increase of \$595,001. This is a result of the Company being active in its exploration program in the Cooke Mountain property during fiscal 2017.

SIGNIFICANT RELATED PARTY TRANSACTIONS

During the quarter, there was no significant transaction between related parties.

COMMITMENTS, EXPECTED OR UNEXPECTED, OR UNCERTAINTIES

As of the date of the MD&A, the Company has no outstanding commitments.



Other than disclosed in this MD&A – Quarterly Highlights, the Company does not have any commitments, expected or unexpected, or uncertainties.

RISK FACTORS

In our MD&A filed on SEDAR April 28, 2017 in connection with our annual financial statements (the “Annual MD&A”), we have set out our discussion of the risk factors which we believe are the most significant risks faced by Adamera. An adverse development in any one risk factor or any combination of risk factors could result in material adverse outcomes to the Company’s undertakings and to the interests of stakeholders in the Company including its investors. Readers are cautioned to take into account the risk factors to which the Company and its operations are exposed. To the date of this document, there have been no significant changes to the risk factors set out in our Annual MD&A.

DISCLOSURE OF OUTSTANDING SHARE DATA

The authorized share capital of the Company consists of an unlimited number of common shares without par value. The following is a summary of the Company’s outstanding share data as at September 30, 2017:

	Issued and Outstanding	
	September 30, 2017	November 29, 2017
Common shares outstanding	117,618,595	117,758,595
Stock options	7,850,000	7,850,000
Warrants	9,965,000	9,825,000
Fully diluted common shares outstanding	135,433,595	135,433,595

QUALIFIED PERSON

Bernard Kahlert, P.Geo is the Company's qualified person, reviewing the exploration projects described throughout the MD&A and is responsible for the design and conduct of the exploration programs and the verification and quality assurance of analytical results.

Cautionary Statements

This document contains “forward-looking statements” within the meaning of applicable Canadian securities regulations. All statements other than statements of historical fact herein, including, without limitation, statements regarding exploration results and plans, and our other future plans and objectives, are forward-looking statements that involve various risks and uncertainties. Such forward-looking statements include, without limitation, our estimates of exploration investment, the scope of our exploration programs, and our expectations of ongoing administrative costs. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from our expectations are disclosed in the Company’s documents filed from time to time via SEDAR with the Canadian regulatory agencies to whose policies we are bound. Forward-looking statements are based on the estimates and opinions of management on the date the statements are made, and we do not undertake any obligation to update forward-looking statements should conditions or our estimates or opinions change, except as required by law. Forward-looking statements are subject to risks, uncertainties and other factors, including risks associated with mineral exploration, price volatility in the mineral commodities we seek, and operational and political risks. Readers are cautioned not to place undue reliance on forward-looking statements.