ADAMERA MINERALS

ADAMERA MINERALS CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS
FOR THE SIX MONTHS ENDED JUNE 30, 2020

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. Its principal properties are located in Washington State, USA and it 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 August 25, 2020 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 consolidated interim financial statements and the related notes for the six months ended June 30, 2020 and the Company's audited consolidated financial statements for the year ended December 31, 2019 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

On December 13, 2019, the Company entered into a loan agreement with Hochschild Mining (US) Inc. ("Hochschild"), a wholly owned subsidiary of Hochschild Mining PLC, where Hochschild lent the Company US$40,000 ($51,952) (the "Loan") (received in December 2019) for staking additional land for the benefit of the Cooke Mountain project. Upon the execution of the exploration earn-in agreement (the "Agreement", see below), the Loan became part of the Qualifying Expenditures and the loan agreement was terminated.

On January 20, 2020, Adamera entered into the Agreement with Hochschild on its Cooke Mountain gold project in Washington State. Hochschild is a leading underground precious metals producer focused on high-grade silver and gold deposits. With over 50 years of operating experience in the Americas, it is well suited to explore and develop Adamera's many high-grade gold targets at Cooke Mountain.

Under the terms of the Agreement, Hochschild has an option that can be earned in two phases.

In phase 1, Hochschild can earn a 60% interest in the project by incurring US$8 million (approximately $10.5 million) in exploration expenditures over five years. During the first two years of this earn-in phase, Hochschild must spend a minimum of Qualifying Expenditures of US$500,000 each year and no less than US$1 million during the third, fourth and fifth years. Adamera will be the operator of the project during the initial part of the earn-in period. Upon signing the Agreement, Hochschild paid Adamera US$50,000 cash (received).

In phase 2, Hochschild can earn an additional 15% interest in the project by sole financing a feasibility study within a further three years. During this option phase, Hochschild has the right to extend the earn-in period by up to three additional years by paying Adamera US$200,000, US$300,000 and US$500,000 for the first, second and third extended years, respectively.

If a feasibility study is not completed by the end of phase 2, Hochschild's interest drops to a 2% royalty.

On completion of phase 2, a 75%/25% joint venture will be formed. If Hochschild elects to forego the phase 2 earn-in, a 60%/40% joint venture will be formed. In either case, each party would be responsible for financing its pro rata share of the expenditures, with Hochschild as the operator.

At any time after the formation of the joint venture, Adamera may request that Hochschild provide a loan to finance all or part of Adamera's portion of qualifying joint venture expenditures. In the event of a 60%/40% joint venture, Hochschild would provide the loan to Adamera in exchange for an additional 5% equity interest in the project. In the event of a 75%/25% joint venture, Hochschild would provide a loan to Adamera in exchange for a 1.5% royalty payable to Hochschild. Adamera will repay such loans from 70% of its earnings from the joint venture.

On June 8, 2020, the Company and Hochschild announced that they have initiated the 2020 exploration program. The program is being performed in 3 phases in response to the easing of restrictions related to COVID-19. The phases include:

- Phase 1. Mapping, prospecting and geochemical sampling of the new claims (2,600 acres) at Cooke Mountain (see news release dated March 11, 2020).
- Phase 2. Deeper penetrating geophysical survey using induced polarization (IP) over areas of previously drilled gold mineralization at Cooke Mountain.
- Phase 3. Drilling reprioritized targets on the Cooke Mountain project.

Earlier in the year, Hochschild and Adamera expanded the Cooke Mountain project by staking the new claims. These claims cover an additional 10 kilometres of the interpreted Overlook Trend.

Mapping, prospecting and lithogeochemical sampling of the new claims is underway. To date, numerous gold prospects have been identified and sampled. Current work is showing prospective rocks and structures similar to the previously mined Overlook deposit within the Cooke Mountain project area. This initial phase is expected to be completed within 2 weeks. Planning of detailed geophysical and soil surveys to develop follow-up exploration targets is underway.

On July 13, 2020, the Company announced that an induced polarization ("IP") orientation survey is underway on the Cooke Mountain gold project. The survey is part of a targeting program to precede drilling. This particular survey is designed to penetrate deeper to evaluate the depth extent of existing drill intercepts and IP anomalies defined by the Company in 2018 and identify new targets below detection depth of the previous IP survey.

Assuming the results of the orientation survey over the Overlook mine are positive, surveying will continue over the Oversight project where 2018 drilling by the Company intersected high-grade gold mineralization approximately 300 metres southeast of the past producing Overlook Gold Mine. Drill Hole OS18-02 tested a strong IP anomaly and intersected 19.4 g/t gold in the last metre of the hole at a depth of 80 metres. Another hole drilled to the northeast from the same site intersected 2.5 g/t gold over 10 metres at a similar depth including 2 intervals with up to 10 g/t gold (See news release dated September 28, 2018). That drilling was conducted using Adamera's in-house small diameter core drill. The planned 2020 drilling will utilize larger capacity drills to obtain larger samples at greater depths.

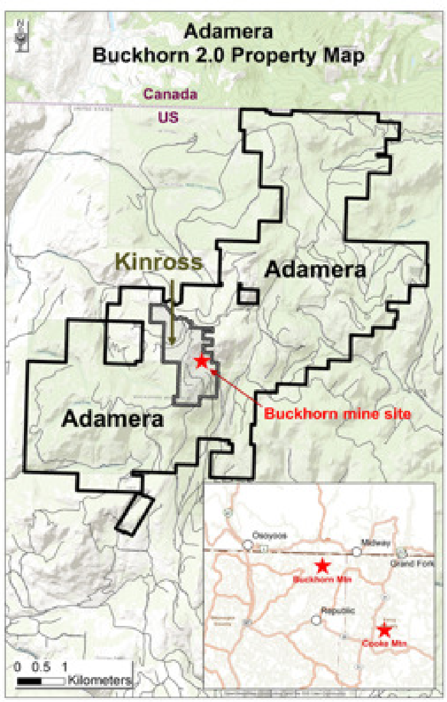
Once IP surveying is complete at Oversight it is anticipated that the crew would move to the Goodfoot and Lamefoot South properties where the Company has gold targets. The nearby Lamefoot gold deposit was the largest of the Kinross mines in the Cooke Mountain area. The IP data will estimate the possible depth extent of several existing targets, information that will be used to better rank the targets for drill testing later in the season.

See news releases dated January 22, June 8 and July 13, 2020.

Buckhorn 2.0 Project

On June 8, 2020, the Company announced that it had entered into an agreement to lease a number of claims for a period of 6 years in Washington State, USA for US$1,000 cash and 100,000 common shares. The Company may extend the lease beyond 2026 by paying the Lessor US$1,000 per year. At any time, the Company may purchase the claims for US$50,000, subject to a 2% royalty of which 1% may be purchased for US$1,000,000.

On July 22, 2020, the Company announced it had staked 339 claims around the Buckhorn 2.0 project in Washington State. Buckhorn 2.0 project surrounds the Crown/Kinross patented claims on which the past producing Buckhorn Mine is situated. The area acquired extends more than 10 kilometres to the Canadian-USA border, along the western margin of the Torada Graben. The Company has also leased an additional 38 claims from private claim holders within the project area for a total of about 7,500 acres (30 square km) (see map).



The Buckhorn 2.0 project is 100% owned by the Company. The claims staked and recorded by Adamera are subject to final status determination by the Bureau of Land Management. The claims are subject to a 1% royalty, of which 0.5% may be purchased for $500,000 at anytime.

The Buckhorn Mine (formerly named Crown Jewel) was discovered by Crown Resources Corp in 1988. Approximately 1.3 million ounces of gold at an average grade of about 12 g/t gold was produced from Buckhorn between 2008 and 2017.

Details of a work program for these claims are developing. The Company is currently working on ranking areas on the new claims. Adamera geologists are currently on-site prospecting and sampling for Crown Jewel style mineralization to assist in the program design. Details of this work will be reported as results become available.

See news releases on June 8 and July 22, 2020.

Corporate

On June 8, 2020, the Company appointed Mark Jones as a director of the Company.

On July 9, 2020, the Company appointed Alex Adams as a director of the Company and Geir Liland resigned as a director of the Company.

On July 16, 2020 and July 21, 2020, the Company announced the appointments of Graeme Currie and Peter Cooper as advisors to the Company.

INTERIM PERIOD FINANCIAL CONDITION

Capital Resources

In April 2020, the Company received $40,000 from the Government of Canada related to CEBA. CEBA is an interest-free loan launched by the Government of Canada to ensure that businesses have access to capital during the COVID-19 pandemic and can only be used to pay non-deferrable operating expenses. The terms of CEBA are as follows:

i) 0% interest operating line of credit until December 31, 2020;
ii) On January 1, 2021, this operating line of credit will be converted to a 2-year 0% interest term loan, to be repaid by December 31, 2022. $10,000 of the loan will be forgiven if $30,000 is repaid in full on or before December 31, 2022.
iii) If on December 31, 2022, the Company exercises the option for a 3-year term extension, 5% interest during this term extension period will apply on any balance remaining.

On June 22, 2020, the Company completed the first tranche of a non-brokered private placement for the issuance of 13,750,000 units at $0.05 per unit for a total of $687,500. Each unit consisted of one common share and one-half share purchase warrant. Each share purchase warrant entitles the holder to purchase one additional common share at a price of $0.10 until June 22, 2021. The Company paid finder's fee of $1,625. The Company incurred additional share issue costs in the amount of $14,494 in connection with the placement.

Subsequent to period end, on July 2, 2020, the Company completed the second tranche of a non-brokered private placement for the issuance of 9,050,000 units at $0.05 per unit for a total of $452,500. Each unit consisted of one common share and one-half share purchase warrant. Each share purchase warrant entitles the holder to purchase one additional common share at a price of $0.10 until July 2, 2021.

The Company intends to use the net proceeds from the private placement for operations and exploration on its 100% owned projects.

Subsequent to June 30, 2020, a total of 1,323,000 warrants were exercised for gross proceeds of $66,150.

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, finders' warrants and options, along with the planned developments within the Company will allow its efforts to continue throughout 2020. If the market conditions prevail or improve, the Company will make adjustment to budgets accordingly.

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. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds.

Liquidity

As at June 30, 2020, the Company had a working capital of $296,603 (December 31, 2019 – working capital deficiency of $177,989). As at June 30, 2020, cash totaled $521,502, an increase of $363,119 from $158,383 as at December 31, 2019. The increase was mainly due to (a) cash received from subleasing of $215,836; (b) net proceeds from shares issued and subsccribed of $758,381; (c) CEBA of $40,000 received from the Government of Canada; while being reduced by (d) expenditures on mineral properties net of amount received from the optionee of $120,975; (f) operating activities of $414,264; and (g) repayment of lease liabilities of$114,665.

Operations

For the three months ended June 30, 2020 compared with the three months ended June 30, 2019:

The Company recorded a net loss for the three months ended June 30, 2020 of $165,870 (loss per share - $0.00) compared to a net loss of $152,940 (loss per share - $0.00) for the three months ended June 30, 2019.

Excluding the non-cash depreciation of $277 (2019 - $376), depreciation of right-of-use assets of $3,136 (2019 - $5,445) and share-based compensation of $81,312 (2019 - $nil), the Company's general and administrative expenses amounted to $105,256 (2019 - $118,181), a decrease of $12,925. The change in expenses was mainly due to: (a) wages and benefits of $15,104 (2019 - $54,886) as the Company temporarily terminated two employees for the three months ended June 30, 2020 and a portion of CEO's salary was recorded as expenditures on mineral properties; (b) Interest expenses on lease liabilities of $1,017 (2019 - $8,535); (c) marketing of $4,077 (2019 - $10,487); while being offset by increase in property expenses and rent of $45,622 (2019 - $2,864) as the Company adopted the proper accounting treatment for its lease and sublease arrangement for the three months ended June 30, 2020 while the comparative number was kept the same as the information was publicly disclosed prior to the audit adjustments made during the December 31, 2019 audit.

The other major items for the three months ended June 30, 2020, compared with June 30, 2019, were:

- Finance income on sublease of $1,919 (2019 - $8,768);
- Income from subleasing of $4,802 (2019 – loss from subleasing of ($37,706); and
- Management fees of $17,390 (2019 - $nil) as the Company is entitled to administrative and overhead fee as the operator of Cooke Mountain Project.

These differences of finance income on sublease and income from subleasing are also a result of the Company adopting the proper accounting treatment for its lease and sublease arrangement for the three months ended June 30, 2020 while the comparative numbers were kept the same as the information was publicly disclosed prior to the audit adjustments made during the December 31, 2019 audit.

For the six months ended June 30, 2020 compared with the six months ended June 30, 2019:

The Company recorded a net loss for the six months ended June 30, 2020 of $309,336 (loss per share - $0.00) compared to a net loss of $210,349 (loss per share - $0.00) for the six months ended June 30, 2019.

Excluding the non-cash depreciation of $555 (2019 - $752), depreciation of right-of-use assets of $6,272 (2019 - $10,889) and share-based compensation of $81,312 (2019 - $nil), the Company's general and administrative expenses amounted to $254,298 (2019 - $240,351), an increase of $13,947. The change in expenses was mainly due to (a) increase in property expenses and rent of $89,995 (2019 - $5,668) as the Company adopted the proper accounting treatment for its lease and sublease arrangement for the six months ended June 30, 2020 while the comparative number was kept the same as the information was publicly disclosed prior to the audit adjustments made during the December 31, 2019 audit; while being offset by (b) wages and benefits of $59,988 (2019 - $108,081) as the Company temporarily terminated two employees for the three months ended June 30, 2020 and a portion of CEO's salary was recorded as expenditures on mineral properties; and (c) Interest expenses on lease liabilities of $3,035 (2019 - $18,689).

The other major items for the six months ended June 30, 2020, compared with June 30, 2019, were:

- Finance income on sublease of $5,689 (2019 - $19,485);
- Income from subleasing of $4,802 (2019 – $22,158); and
- Management fees of $17,390 (2019 - $nil) as the Company is entitled to administrative and overhead fee as the operator of Cooke Mountain Project.

These differences of finance income on sublease and income from subleasing are also a result of the Company adopting the proper accounting treatment for its lease and sublease arrangement for the six months ended June 30, 2020 while the comparative numbers were kept the same as the information was publicly disclosed prior to the audit adjustments made during the December 31, 2019 audit.

The Company continuously monitors its use of cash and is actively seeking ways to reduce its operating expenses.

SIGNIFICANT RELATED PARTY TRANSACTIONS

During the quarter, there were no significant transactions between related parties other than those related to the ordinary course of business.

COMMITMENTS, EXPECTED OR UNEXPECTED, OR UNCERTAINTIES

As of the date of this 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 24, 2020 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:

	Issued and Outstanding	
	June 30, 2020	August 25, 2020
Common shares outstanding	164,258,595	174,631,595
Stock options	10,750,000	13,650,000
Warrants	29,134,414	32,336,414
Fully diluted common shares outstanding	204,143,009	220,618,009

QUALIFIED PERSON

Martin St. Pierre, 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.