



RESOURCES CORP.

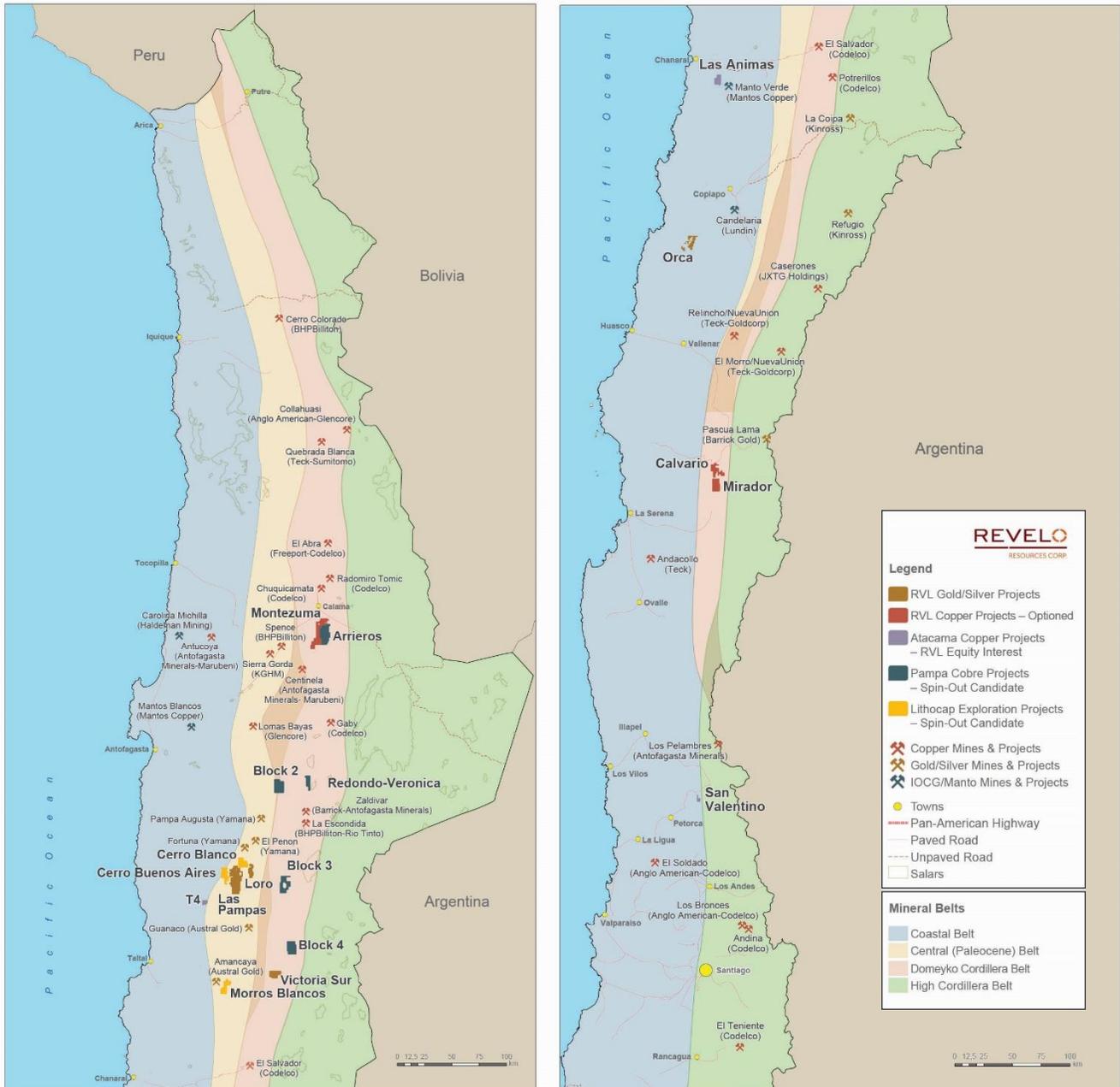
MANAGEMENT'S  
DISCUSSION AND ANALYSIS  
FOR THE  
QUARTER ENDED APRIL 30, 2020

Dated: June 26, 2020

(All amounts expressed in Canadian dollars unless otherwise indicated)

# REVELO PROJECT LOCATION MAP

**Note:** Coloured blocks represent properties in which Revelo has interests. Refer to the legend for more details.



## GENERAL

Revelo Resources Corp. (the “Company” or “Revelo”) is a Vancouver-based mineral exploration company engaged in the acquisition and exploration of precious and base metals projects in Chile. The Company is a reporting issuer in British Columbia, Alberta and Ontario, and trades on the TSX Venture Exchange (“TSX-V”) as a Tier 2 issuer under the symbol RVL.

The following Management Discussion and Analysis (“MD&A”) of the Company’s financial condition and results of operations has been prepared by management in accordance with the requirements of National Instrument 51-102. The following information is prepared as at June 26, 2020 unless otherwise stated, and supplements, but does not form part of the unaudited condensed interim financial statements of the Company for the three months ended April 30, 2020. This MD&A should be read in conjunction with the unaudited condensed interim financial statements and related notes for the three months ended April 30, 2020, and the audited financial statements and related notes for the twelve months ended January 31, 2020.

The Company reports its financial position, results of operations and cash flows in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”). All dollar amounts included therein and in the following management’s discussion and analysis (“MD&A”) are in Canadian dollars except where noted.

Additional information relevant to the Company’s activities can be found on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Company’s website at [www.reveloresources.com](http://www.reveloresources.com).

Dr. Demetrius Pohl, PhD., Certified Professional Geoscientist (CPG), an independent consultant, is the Company’s Qualified Person as defined by National Instrument 43-101 and is responsible for the accuracy of the technical information in this MD&A and has approved its written disclosure.

## COMPANY OVERVIEW

As of the date of this MD&A, which includes events subsequent to the quarter ended April 30, 2020, and as described in the fiscal year-end January 2020 MD&A, which also included events subsequent to the year end, Revelo completed or initiated several transactions and implemented a series of restructuring actions that resulted in the company being largely debt-free and the owner of an outstanding portfolio of exploration projects in Chile.

Over the past three years, a combination of cash loans and accrued fees from management, together with loans from Term Oil Inc. (“Term Oil”) and EMX Royalty Corp. (“EMX”), provided the capital for Revelo to operate. These actions were taken during a period of subdued equity markets in order for the Company to protect and preserve its extensive project portfolio in Chile, as well as to continue pursuing its business model in terms of generating joint-venture agreements and royalty interests.

After an extensive review of its business, the Company decided to focus its capital towards the funding of its gold portfolio, while continuing to create value for its shareholders from its copper projects through partnerships and spinouts where the Company can direct or influence the exploration initiatives.

As part of this process, since the beginning of 2020, Revelo sold 20 generative (non-producing) royalty interests; sold shares in a third-party junior gold producer; paid off the loans to Term Oil and EMX; completed a roll-back of its stock; wrote off certain debt owed to the Chairman of the Company; converted remaining debt owing to the Chairman, CEO, directors and others into shares of the Company; and signed a Binding Letter Agreement (“BLA”) for the sale of 8 copper projects in exchange for shares in a new company that will be financed to explore the projects.

Revelo now has 4 wholly-owned gold-silver projects totaling around 38,000 hectares; 3 wholly-owned copper projects totaling around 30,000 hectares; an equity interest in a private company that owns 3 copper projects (7,000 hectares); and as a result of the recently signed BLA, will soon have an equity interest in a second company that will list on the CSE and own 8 copper

projects (58,000 hectares). All these projects are located in northern Chile along some of the most prolific and productive mineral belts in the world.

As a result of the various restructuring actions and business deals completed during the three months ended April 30, 2020, including subsequent events, Revelo has concluded a series of key milestones that set the stage for the Company's next phase of development. As a result, Revelo has entered 2020/2021 with an improved capital structure and balance sheet, a streamlined and exceptional portfolio of gold and copper exploration assets in Chile, and a firm commitment to execute the Company's strategy to fulfill the company's vision, which includes raising capital, exploring its gold portfolio, and supporting its joint-venture and equity spin-out partners in the exploration of its copper portfolio. See Revelo's news release dated May 21, 2020 for further details.

Please refer to the Project section of Revelo's website ([www.reveloresources.com/projects](http://www.reveloresources.com/projects)) for further information.

#### KEY EVENTS FOR THE THREE MONTHS ENDED APRIL 30, 2020 AND SUBSEQUENTLY

- **FINANCIAL SUMMARY:** During the three months ended April 30, 2020, the Company had net income of \$1,624,000. Net income for the period was the result of a \$1,998,000 gain from the sale of NSR royalty interests, \$538,000 gain on the settlement of debt, and a \$400,000 FV adjustment to marketable securities. These gains were offset with net exploration expenditures of \$721,000 including \$544,000 in property maintenance and \$190,000 in other exploration related costs, net of \$13,000 of cost recoveries, \$138,000 related to corporate overhead and business development costs, and other losses and expenses of \$453,000.
- **MONTEZUMA:** The Letter of Intent ("LOI") with BMR Group PLC ("BMR"), a private UK company, which would have allowed BMR to acquire an 80% interest in Revelo's Montezuma copper project in northern Chile, and which was signed in July 2019 (see news release dated July 29, 2019) and amended in October 2019 (see news release dated October 3, 2019), was subsequently allowed to lapse and is no longer in force (see news release dated April 21, 2020) due to BMR's inability to achieve the financing and other requirements of the agreement.
- **GENERATIVE NSR ROYALTY SALE:** Revelo completed the sale of 20 generative net smelter return ("NSR") royalty interests over exploration properties in Chile to EMX Royalty Corp. ("EMX") and Masglas America Corp. ("Masglas"), for total proceeds of US\$1.5 million (see news releases dated January 20, 2020, March 20, 2020 and March 26, 2020).
- **THIRD-PARTY DEBT REPAYMENT:** The Company repaid approximately \$2.54 million (approximately \$298 thousand paid during the year ended January 31, 2020) in third party debt comprising the principal loan together with accrued interest and bonuses owed to Term Oil totaling approximately \$1.7 million, together with the principal loan and accrued interest and bonuses owed to EMX totaling approximately \$536 thousand (see news releases dated March 20, 2020 and April 21, 2020 for details). The funds available for the repayment of these loans were obtained from the sale of the generative royalty portfolio (see previous highlight) and the sale of 10 million common shares it owned in Austral Gold Ltd. ("Austral") for additional total net proceeds of approximately \$880 thousand.
- **SHARE CONSOLIDATION AND INSIDER DEBT SETTLEMENT :** Effective April 29, 2020, the Company completed a 10:1 share consolidation and settled a combined amount of approximately \$3.8 million in debt owed to insiders of the Company through a combination of debt forgiveness and shares for debt settlements as follows: The Chairman of the Company wrote off approximately \$513 thousand in accrued fees owed to companies controlled by him and converted approximately \$2.36 million in cash loans to the Company into shares at \$0.15 per share; the CEO converted approximately \$373 thousand in accrued fees into shares at \$0.15 per common share; and directors and other consultants converted approximately \$550 thousand in accrued fees and cash loans into shares at \$0.15 per share (see news releases dated February 6, 2020, April 27, 2020 and May 6, 2020). All share amounts and per share amounts in this MD&A have been adjusted to take into account the share consolidation and shares for debt settlements.
- **BINDING LETTER OF INTENT FOR THE SALE OF 8 COPPER PROJECTS:** Revelo signed a Binding Letter Agreement ("BLA") with West Pacific Ventures Corp. ("WPV"), a private Canadian company, which will allow WPV to acquire a 100% interest in eight of Revelo's copper-focused projects in northern Chile. Under the terms of the BLA, Revelo will receive new shares

in WPV that in turn will be exchanged for shares of a public company shell (“PubCo”). The transaction will result in a Reverse Take-Over (“RTO”) of Pubco, with the resulting company seeking to concurrently list on the Canadian Securities Exchange (“CSE”) after having raised a minimum of \$4 million. Revelo will on closing of the RTO hold 19.9% of the issued and outstanding shares of PubCo. Revelo received US\$125,000 in cash on signing of the BLA and will receive a further cash payment of US\$175,000 on signing of definitive documentation. Amongst other details of the BLA, Revelo will have a seat on the board of directors of PubCo and will also have a role in the technical operatorship of the exploration programs (see news release dated May 19, 2020 for further details). WPV has now signed a Binding Letter Intent with Fireswirl Technologies Inc. (TSXV: FSW.H) (“Fireswirl”), by which Fireswirl is proposing to acquire 100% of the outstanding shares of WPV in consideration for shares of Fireswirl to execute the RTO as indicated above (see news release dated June 18, 2020). The transaction, including conditions precedent, is expected to close by September 2020.

- **OPTION AGREEMENTS WITH SOCIEDAD QUIMICA Y MINERA DE CHILE S.A. (“SQM”) & TECK RESOURCES CHILE LTDA. (“TECK”):** : The Exploration Option Agreement with SQM, signed in April 2019, which would have allowed SQM to acquire up to an 80% interest in Revelo’s Calvario and Mirador copper projects in Chile, has been terminated by SQM. Additionally, Teck failed to complete the second year expenditures or make a contracted cash payment on the second anniversary related to the Option Agreement signed between the two companies in May 2018 for a portion of Revelo’s Cerro Buenos Aires project in Chile, and as a consequence, the agreement has been terminated. Revelo continues to hold a 100% interest in all three projects and the 2020 land maintenance payments required to keep the licenses in good standing were paid by SQM and Teck prior to termination of the agreements.

## PROJECT & ASSET REVIEW FOR THE THREE MONTHS ENDED APRIL 30, 2020

### A. GOLD-SILVER PROJECTS

The north-south trending Paleocene (or Central) Belt of northern Chile, lies parallel to, and immediately to the west of, the Domeyko copper belt. It is host to several important porphyry copper deposits and mines extending from southern Peru (Cuajone, Toquepala, Quellaveco), to northern Chile (Cerro Colorado, Spence, Sierra Gorda, Relincho), but is also host to important bonanza-style, low-sulphidation, epithermal precious metals veins, with the most important deposits discovered to date centred around Yamana Gold’s El Peñon, Fortuna and Pampa Augusta Victoria mines. Additionally, high-sulphidation epithermal precious metals deposits also occur, typified by the Guanaco mine to the south of El Peñon. Other, similar, and currently productive and historically productive precious metals deposits are concentrated along the belt over approximately 350 km centred on the El Peñon mine. Revelo also owns a gold-focused exploration project along the Domeyko Belt at Victoria Sur, which is host to several precious metals targets, the most important of which is a porphyry-gold target at Nueve Vidas. Additionally, Revelo controls key tenement at a shear-zone hosted gold target along the Coastal Belt at Orca, near Copiapo.

Revelo has 100% ownership of 4 gold-silver-focused exploration projects, as follows:

- **Victoria Sur** (6,600 Ha): - Located along the Domeyko Cordillera mineral belt of northern Chile, between the giant La Escondida and El Salvador copper mining districts, the project is prospective for porphyry gold deposits, epithermal gold-silver deposits, and sediment-hosted gold-silver deposits.
- **Las Pampas** (21,800 Ha): - Located along the Paleocene mineral belt of northern Chile, immediately on trend from the multi-million ounce El Peñon gold-silver mining district, the project is a major district-scale property prospective for epithermal gold-silver deposits.
- **Loro** (4,800 Ha): - Located along the Paleocene mineral belt of northern Chile, immediately on trend from the multi-million ounce El Peñon gold-silver mining district, the project is prospective for epithermal gold-silver deposits.
- **Orca** (5,400 Ha): - Located along the Coastal mineral belt of northern Chile, the project is prospective for shear-zone hosted gold deposits.

### B. COPPER PROJECTS

Northern Chile is host to 3 of the 10 largest copper mining districts in the world (Codelco Norte - Chuquicamata; La Escondida; and Collahuasi) along the Mid-Tertiary Domeyko Cordillera magmatic arc, and Central Chile is host to a further 2 of the 10 largest copper mining districts in the world (Andina - Los Bronces; and El Teniente) along the Miocene Belt – all active and

major producing mines. La Escondida is the world's largest single producing copper mine (producing >> 1Mt per year of fine copper), and the Andina / Los Bronces / Sulfatos mining district represents the world's single largest resource of contained copper (> 200Mt of fine copper resources). Other significant copper deposits and mines are located along the north-south trending, Early Tertiary Paleocene magmatic arc of northern Chile, which lies parallel to, and immediately to the west of, the Domeyko copper belt. It is host to several important porphyry copper deposits and mines extending from southern Peru (Cuajone, Toquepala, Quellaveco), to northern Chile (Cerro Colorado, Spence, Sierra Gorda, Relincho). Additionally, the Coastal Belt Cordillera is host to important IOCG copper-gold (e.g. Candelaria) and Manto-style copper-silver (e.g. El Soldado) deposits, as well as some porphyry copper-style deposits (e.g. Andacollo).

Revelo has 100% ownership of 11 copper-focused exploration projects, 8 of which are subject to the BLA with WPV, as follows:

- **Arrieros** (14,000 Ha): - Located along the Domeyko Cordillera porphyry copper belt of northern Chile, and neighbouring Montezuma, the project is prospective for porphyry copper-moly-gold and epithermal gold-silver deposits. Major district-scale property located in the heart of a major copper mining district near the giant Chuquicamata mine and related deposits. This project is subject to the BLA with WPV.
- **Block 2** (3,300 Ha): - Located along the Domeyko Cordillera porphyry copper belt of northern Chile, north of the giant La Escondida copper mine, the project is prospective for porphyry copper-moly-gold deposits. This project is subject to the BLA with WPV.
- **Block 3** (3,300 Ha): - Located along the Domeyko Cordillera porphyry copper belt of northern Chile, south of the giant La Escondida copper mine, the project is prospective for porphyry copper-moly-gold deposits. This project is subject to the BLA with WPV.
- **Block 4** (4,200 Ha): - Located along the Domeyko Cordillera porphyry copper belt of northern Chile, north of the giant Exploradora mining district, the project is prospective for porphyry copper-moly-gold deposits. This project is subject to the BLA with WPV.
- **Redondo-Veronica** (5,000 Ha): - Located along the Domeyko Cordillera porphyry copper belt of northern Chile, north of the giant La Escondida copper mine, the project is prospective for porphyry copper-moly-gold deposits. This project is subject to the BLA with WPV.
- **Cerro Blanco** (6,600 Ha): - Located along the Paleocene mineral belt of northern Chile, along trend from the giant Spence and Sierra Gorda copper mines, the project is prospective for porphyry copper-moly-gold deposits. This project is subject to the BLA with WPV.
- **Cerro Buenos Aires** (7,600 Ha): - Located along the Paleocene mineral belt of northern Chile, along trend from the giant Spence and Sierra Gorda copper mines, the project is prospective for porphyry copper-moly-gold deposits and epithermal gold-silver deposits. This project is subject to the BLA with WPV.
- **Morros Blancos** (7,900 Ha): - Located along the Paleocene mineral belt of northern Chile, along trend from the giant Spence and Sierra Gorda copper mines, the project is prospective for porphyry copper-moly-gold deposits and epithermal gold-silver deposits. This project is subject to the BLA with WPV.
- **Calvario** (6,900 Ha): - Located along the Paleocene mineral belt of northern Chile, to the south of the Relincho (Nueva Union) development copper project, the project is prospective for porphyry copper-moly-gold deposits.
- **Mirador** (7,700 Ha): - Located along the Paleocene mineral belt of northern Chile, to the south of the Relincho (Nueva Union) development copper project, the project is prospective for porphyry copper-moly-gold deposits and epithermal gold-silver deposits.
- **Montezuma** (16,300 Ha): - Located along the Domeyko Cordillera porphyry copper belt of northern Chile, and neighbouring Arrieros, the project is prospective for porphyry copper-moly-gold and epithermal gold-silver deposits. Major district-scale property located in the heart of a major copper mining district near the giant Chuquicamata mine and related deposits.

## EQUITY INTERESTS

Revelo holds 2,700,000 shares of Atacama Copper Exploration Limited (private company) as a result of the sale of the San Valentino, T4 and Las Animas properties in 2019.

As a result of the BLA signed with WPV, Revelo will hold 19.9% of the equity of the resulting PubCo, due to close by September 2020.

Revelo had an equity interest of 10,000,000 common shares of Austral Gold Limited (TSX-V: AGLD; ASX: AGD) as a result of the sale of the San Guillermo and Reprado projects in 2017. These shares have now been sold (see Highlights section).

## C. GENERATIVE ROYALTY INTERESTS

As part of its previous core business, Revelo had developed royalty interests in exploration projects owned by third parties, all located along key mineral belts of northern Chile. These interests were developed as a result of sales of Revelo properties to interested 3rd parties. Revelo had royalty interests in 11 third-party exploration projects, as follows, all of which have now been sold to EMX and Masglas together with 9 newly created royalty interests on wholly owned projects (see references in Highlights section):

- **Victoria Norte** (38,400 Ha): - Located along the Domeyko Cordillera porphyry copper belt of northern Chile, the project is prospective for porphyry copper and epithermal gold-silver deposits. Revelo has a 2% NSR royalty interest (uncapped).
- **Reprado** (2,800 Ha): - Located along the Paleocene mineral belt of northern Chile and forming part of the emerging Amancaya precious metals district, the project is prospective for epithermal gold-silver veins. Revelo has a 1% NSR royalty interest (uncapped).
- **San Guillermo** (12,000 Ha): - Located along the Paleocene mineral belt of northern Chile and forming part of the emerging Amancaya precious metals district, the project is prospective for epithermal gold-silver veins. Revelo has a 0.5% NSR royalty interest (uncapped).
- **Limbo** (5,600 Ha): - Located along the Paleocene mineral belt of northern Chile, close to the Guanaco gold mine, the project is prospective for epithermal gold-silver veins. Revelo has a 1% NSR royalty interest (uncapped).
- **Magallanes** (1,000 Ha): - Located along the Paleocene mineral belt of northern Chile, the project is prospective for epithermal gold-silver veins. Revelo has a 1% NSR royalty interest (uncapped).
- **Q'Inti Breccia** (103 Ha): - Located along the Paleocene mineral belt of northern Chile, neighbouring Los Azules, the project is prospective for copper-rich breccia pipes. Revelo has a 2% NSR royalty interest (uncapped), with the owner retaining a buy-back right over 1%.
- **Los Azules** (3,700 Ha): - Located along the Paleocene mineral belt of northern Chile, neighbouring Q'Inti, the project is prospective for copper-rich breccia pipes, and possibly porphyry copper deposits. Revelo has a 2% NSR royalty interest (uncapped), with the owner retaining a buy-back right over 1%.
- **Kolla Kananchiari** (3,800 Ha): - Located along the Coastal mineral belt of northern Chile, and close to the historic El Bronce de Petorca mine, the project is prospective for polymetallic copper-gold-silver veins. Revelo has a 1% NSR royalty interest on base metals (uncapped) plus a 0.5% NSR royalty interest on precious metals (uncapped).
- **San Valentino** (1,150 Ha): - Located along the southern extensions of the Chilean copper belts, the project is prospective for porphyry copper-gold deposits. Revelo will have a 1% NSR royalty interest (uncapped).
- **T4** (1,950 Ha): - Located along the Coastal mineral belt of northern Chile, the project is prospective for IOCG-style copper-gold deposits. Revelo will have a 1.5% NSR royalty interest (uncapped).
- **Las Animas** (3,920 Ha): - Located along the Chilean coastal mineral belt of northern Chile, the project is prospective for IOCG-style copper-gold deposits. Revelo will have a 1.5% NSR royalty interest (uncapped).

*Disclaimer: The reader is cautioned that when reference to a historic or an existing mining district is made in the above descriptions, this is to help place the properties into geologic context and is for reference purposes only. There is no evidence to date that similar mineral resources occur on Revelo's properties.*

## RESULTS OF OPERATIONS

### Three Months Ended April 30, 2020

For the three months ended April 30, 2020 (“Q1 2021”), the Company recorded a net income of \$1,624,222 or \$0.10 per share compared to a net loss of \$1,138,896 or \$0.07 per share for the comparative three months (“Q1 2020”). Some of the items to note are as follows:

	Three months		Variance
	ended April 30, 2020	ended April 30, 2019	
Exploration expenditures, net	\$ 720,802	\$ 954,264	\$ (233,462)
Management compensation	52,500	104,400	(51,900)
Interest expense and other	44,438	126,407	(81,969)
Gain on settlement of debt	(538,479)	-	(538,479)
Gain on sale of royalty interests	(1,997,735)	-	(1,997,735)
Loss on sale of marketable securities	369,886	-	369,886
Change in fair value of fair value through profit or loss assets	(400,000)	(50,000)	(350,000)

Exploration expenditures, net of recoveries and operator fees for the three months ended April 30, 2020 decreased by \$233,462 compared to the comparative period ended January 31, 2019. The decrease from the comparative quarter is mainly the result of the reduction on field activities.

For the three months ended April 30, 2020, management fees decreased by \$51,900 from \$104,400 in Q1 2020 to \$52,500 in Q1 2021. The decrease was the result of certain management reducing their fees as a function of managing capital.

Interest and other is comprised of interest and other charges on the Term Oil and EMX loans and decreased by \$81,969 when comparing Q1 2021 to Q1 2020. The decrease in the current period was the result of an approximate \$50,000 anniversary charge on the Term Oil Loan in Q1 2020, combined with the Company fully repaying the loans and additional charges owing to both Term Oil and EMX in March 2020.

During Q1 2021, the Company completed a debt settlement arrangement to settle approximately \$3.8 million in debt owed to insiders of the company through a combination of debt forgiveness and shares for debt. As a result, the Company recorded a gain on settlement of debt of \$538,479 (Q1 2020 - \$Nil).

During Q1 2021 the Company completed the sale of 20 generative net smelter return royalty interests over exploration properties in Chile for total proceeds of US\$ 1,500,000. As a result of the sale the Company recorded a gain on sale of royalty interest of \$1,997,735 (Q1 2020 - \$Nil).

During Q1 2021, the Company sold the 10,000,000 common shares of Austral Gold for total proceeds of \$879,000 and recorded a realized loss on the sale of \$369,866 (Q1 2020 - \$Nil) and a related gain from a change in fair value of \$400,000 (Q1 2020 – \$50,000) prior to the sale of the shares.

It should be noted that many general and administrative expenditures, including professional fees will fluctuate from period to period depending on the level of activity of the Company. Further, many of our personnel and professional expenditures are denominated in United States dollars (“USD”) or Chilean Pesos (“CLP”) and an increase or decrease in the value of the USD or CLP compared to the Canadian dollar, which is our reporting currency, will increase or decrease expenditures.

## FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

The Company considers items included in shareholders' equity as capital. The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders.

As at April 30, 2020, the Company had a working capital deficit of \$105,104 (January 31, 2020 - \$5,180,975). The Company relies mainly on equity issuances to raise new capital and on entering into joint venture agreements on certain properties which enables it to conserve capital and to reduce risk. The Company prepares annual estimates of exploration and administrative expenditures and monitors actual expenditures compared to the estimates. The Company's investment policy is to invest its cash in savings accounts or highly liquid short-term deposits with terms of one year or less and which can be liquidated after thirty days without interest penalty.

During the period ended April 30, 2020 the Company sold the 10,000,000 common shares of Austral Gold for total proceeds of \$879,000 and completed the sale of 20 NSR royalty interests for total proceeds of US\$1.5 million. The proceeds from the sale of shares and royalty interests was used to fully repay the loans owed to Term Oil and EMX and make the calendar 2020 land payments in Chile. Also during the current period, the Company completed a 10:1 share consolidation and debt restructuring agreements to settle a total of approximately \$3.8 million in amounts owing. Further to clearing significant debt from the books, the Company entered into the previously mentioned sale agreement with WPV. See "Risks and Uncertainties" in this MD&A for risks related to the Company's ability to obtain sources of funding. In order to maintain its properties in good standing, the Company is required to make significant annual property maintenance payments. However, these can be terminated at any time without penalty if mineral title is dropped.

The Company is not subject to externally imposed capital requirements as at April 30, 2020.

As at April 30, 2020, the Company had cash of \$65,872. Management of cash balances is conducted in-house based on internal investment guidelines. Cash is deposited with major Canadian and Chilean financial institutions. Cash required for immediate operations is held in a chequing account and excess funds may be invested in accordance with the Company's capital resource objectives. Management will need additional sources of working capital to continue its currently planned programs, by issuing new shares or through the sale of assets.

### Cash Used in Operating Activities

Cash used in operating activities was \$902,886 for the period ended April 30, 2020 (2019 – \$939,010) and represents expenditures primarily on mineral property maintenance, exploration, general and administrative expenses for both periods.

### Cash Provided by Investing Activities

Cash provided by investing activities for the period ended April 30, 2020 was \$3,054,515 (Q1 2020 - \$Nil). Cash provided by investing activities was comprised of \$2,174,401 (US\$1,500,000) from the sale of 20 NSR royalty interests and \$880,114 from the sale of 10,000,000 Austral shares.

### Cash Used in Financing Activities

Cash used in financing activities for the period ended April 30, 2020 was \$2,157,021 compared to a cash generated in 2019 of \$987,008. The cash used in the current period consisted mainly of the repayment of Term Oil and EMX notes payable for a total of \$ 2,241,478 (Q1 2020 - \$Nil) while the cash generated by financing activities in the comparative period ended April 30, 2019 was the result of loans received totalling \$1,010,107 compared to \$132,777 in Q1 2021. The Company also paid \$20,746 (Q1 2020 - \$23,099) towards lease obligations and \$27,574 (Q1 2020 - \$Nil) towards share issue costs.

## SELECTED QUARTERLY INFORMATION

Quarter Ended	April 30, 2020	January 31, 2020	October 31, 2019	July 31, 2019
Exploration expenditures, net	\$ 720,802	\$ 142,451	\$ 225,310	\$ 219,084
Net income (loss) for the period	1,624,222	(161,173)	(539,064)	(451,930)
Net income (loss) per share (basic and diluted)	0.10	(0.01)	(0.03)	(0.03)

Quarter Ended	April 30, 2019	January 31, 2019	October 31, 2018	July 31, 2018
Exploration expenditures, net	\$ 954,264	\$ 303,942	\$ 276,847	\$ 202,976
Net loss for the period	(1,138,896)	(1,540,641)	(788,609)	(791,522)
Net loss per share (basic and diluted)	(0.07)	(0.09)	(0.05)	(0.05)

The Company's net income or loss each quarter varies mainly due to the timing of stock option and share grants, foreign exchange gains and losses related to the Company's holding of United States dollar denominated working capital items and foreign currency controls in Chile, gains or losses on investments held in its portfolio, along with varying levels of operations activities on its exploration projects and due diligence undertaken on new prospects.

## RELATED PARTY TRANSACTIONS

The Company entered into several transactions with key management personnel. The aggregate value of these transactions and outstanding balances are as follows:

Three months ended April 30, 2020	Salary or Fees	Share-based Payments	Total
T. Beale, President and CEO	\$ 30,000	\$ -	\$ 30,000
Seabord Services Corp.	22,500	-	22,500
	\$ 52,500	\$ -	\$ 52,500

Related party liabilities	Items or services	Three months ended April 30, 2020	Year Ended January 31, 2020
Seabord Services Corp.	Management fees and loans	\$ 35,118	\$ 550,512
Chairman	Management fees and advances	-	340,168
President and CEO	Compensation	10,500	394,256
Various directors	Directors' fees	-	138,000
EMX Royalty Corp.	Loan	-	530,071
Director and former director	Loans	277,964	2,499,588
		\$ 323,581	\$ 4,452,595

Amounts due to related parties as of April 30, 2020 and January 31, 2020 are as follows:

Seabord Services Corp. ("Seabord") is a management services company controlled by a director of the Company. Seabord provides the following services: A Chief Financial Officer ("CFO"); a Corporate Secretary; accounting and administration staff; and office space to the Company. The CFO and Corporate Secretary are employees of Seabord and are not paid directly by the Company. A company controlled by the President and Chief Executive Officer charges Revelo management fees for his services.

The Company compensates senior management personnel through salaries and benefits, or consulting fees and the amount of compensation is mutually agreed upon by the two parties. The Company believes that the amount of compensation paid to its senior management falls within the normal market range for these kinds of services. The contracts for senior

management and Seabord Services Corp. are on-going monthly contractual commitments which can be terminated by either party with sufficient notice.

For a discussion of loans received from related parties please refer to the Company's unaudited condensed consolidated interim financial statements for the three month period ended April 30, 2020 on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Company's website at [www.reveloresources.com](http://www.reveloresources.com).

There were no changes to the Company's Board of Directors or management during the period ended April 30, 2020.

#### **OFF BALANCE SHEET ARRANGEMENTS**

As of the date of this MD&A, the Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company, including, and without limitation, such considerations as liquidity and capital resources.

#### **NEW ACCOUNTING PRONOUNCEMENTS**

##### **Accounting standards adopted during the period**

Please refer to the Company's unaudited condensed consolidated interim financial statements for the three month period ended April 30, 2020 on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Company's website at [www.reveloresources.com](http://www.reveloresources.com).

#### **RISK AND CAPITAL MANAGEMENT: FINANCIAL INSTRUMENTS**

Please refer to the Company's unaudited condensed consolidated interim financial statements for the three month period ended April 30, 2020 on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Company's website at [www.reveloresources.com](http://www.reveloresources.com).

##### **Critical Accounting Judgments and Significant Estimates and Uncertainties**

Please refer to the Company's unaudited condensed consolidated interim financial statements for the three month period ended April 30, 2020 on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Company's website at [www.reveloresources.com](http://www.reveloresources.com).

#### **RISKS AND UNCERTAINTIES**

The Company has identified the following risks and uncertainties which are consisted with those risks identified for the year ended January 31, 2020: Mineral Property Exploration and Mining Risks, No Assurance of Titles or Borders, Joint Venture Funding Risk, Commodity Price Risk, Financing and Share Price Fluctuation Risks, Political, Regulatory and Currency Risks, The impact of the Current COVID-19 pandemic may significantly impact the Company, Insured and Uninsured Risks, Environmental and Social Risks, Conflicts of Interest, Key Personnel Risk, and Competition.

Please refer to the Company's unaudited condensed consolidated interim financial statements for the three month period ended April 30, 2020 on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Company's website at [www.reveloresources.com](http://www.reveloresources.com).

#### **OUTSTANDING SHARE DATA**

As of the date of this MD&A, the Company has 38,627,083 common shares outstanding. The company had no options or warrants outstanding as of June 26, 2020.

#### **FORWARD LOOKING STATEMENTS**

This MD&A may contain "forward-looking statements" that reflect the Company's current expectations and projections about its future results. Forward-looking statements are statements that are not historical facts, and include, but are not limited to: a) estimates and their underlying assumptions; b) statements regarding plans, objectives and expectations with respect to

the effectiveness of the Company's business model, future operations, the impact of regulatory initiatives on the Company's operations, and market opportunities; c) general industry and macroeconomic performance and growth rates; d) expectations related to possible business opportunities, joint or strategic ventures; and e) statements regarding future performance.

Forward-looking statements used in this MD&A are subject to various risks, uncertainties and other factors, most of which are difficult to predict and are generally beyond the control of the Company. These risks, uncertainties and other factors may include, but are not limited to: a) unavailability of financing; b) failure to identify commercially viable mineral reserves; c) fluctuations in the market valuation for commodities; d) difficulties in obtaining required approvals for the development of a mineral project; and e) other factors.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this MD&A or as of the date otherwise specifically indicated herein. Due to risks, uncertainties and other factors, including the risks, uncertainties and other factors identified above and elsewhere in this MD&A, actual events may differ materially from current expectations. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether because of new information, future events or otherwise, except as required by securities law.