



MANAGEMENT DISCUSSION AND ANALYSIS

For the Three and Nine Months Ended January 31, 2020 and 2019

Report Dated March 31, 2020

INCA ONE GOLD CORP.

Management Discussion & Analysis

For the Three and Nine Months Ended January 31, 2020, and 2019

This Management's Discussion and Analysis ("MD&A") of Inca One Gold Corp. (the "Company" or "Inca One") has been prepared by management as of March 31, 2020 and should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements for the Three and Nine Months Ended January 31, 2020 and 2019 and the related notes thereto. This MD&A has been reviewed and approved by the Board of Directors of the Company. Unless otherwise specified, all financial information has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. All dollar amounts herein are expressed in United States Dollars unless stated otherwise. During the quarter ended July 31, 2018, the Company changed its presentation currency to the United States Dollar. References to CAD\$ are to Canadian dollars and references to restated ("Restated") financial information are to amounts previously reported in Canadian dollars.

This MD&A contains forward-looking statements and should be read in conjunction with the risk factors described in "**Risks and Uncertainties**" and "**Cautionary Statement on Forward-Looking Information**" at the end of this MD&A.

Description of the Business

Inca One was incorporated on November 9, 2005 and is in the business of developing mineral processing operations in Peru, to service government permitted small scale miners. In recent years the Peruvian government instituted a formalization process for informal miners as part of its efforts to regulate their activities. The Company, has two Peruvian gold milling facilities ("Chala One" and "Kori One") with a total permitted capacity of 450 tonnes per day ("TPD") and has been in commercial production since 2015. The Company purchases high-grade gold mill feed from legally recognized Peruvian small scale miners and processes the material for the export and sale of gold doré and refined gold.

Inca One is listed on the TSX Venture Exchange (the "TSX-V") under the symbol "IO", on the Frankfurt Stock Exchange under the symbol "SU9.F", and the Santiago Stock Exchange Venture under the symbol "IOCL".

Inca One's vision is to become the largest, undisputed ore processor of choice in Peru, while maintaining its uncompromising guiding principles while it grows. This vision will be achieved through:

- Continuing to increase purchases of high-grade gold mill feed;
- The acquisition and development of mineral concessions that could be mined by contract miners and that would provide long-term supply to Chala One and Kori One; and
- Pursuing growth via merger and acquisition, including additional mineral processing operations.

Key Period Definitions (used below)

- three months ended January 31, 2020 ("**the Quarter**" or "**Q3 2020**");
- nine months ended January 31, 2020 ("**YTD Q3 2020**")
- three months ended October 31, 2019 ("**Q2 2020**")
- three months ended July 31, 2019 ("**Q1 2020**")
- three months ended April 30, 2019 ("**Q4 2019**");
- three months ended January 31, 2019 ("**Q3 2019**"); and
- nine months ended January 31, 2019 ("**YTD Q3 2019**")

INCA ONE GOLD CORP.

Management Discussion & Analysis

For the Three and Nine Months Ended January 31, 2020, and 2019

Third Quarter 2020 Highlights and Key Business Developments

- During the Q3 2020, the Company processed 12,623 tonnes, which represents a decrease of 582 tonnes when compared to 13,205 processed during Q2 2020. The daily production average during Q3 2020 was 137 TPD, which represents a decrease of 7 TPD when compared with the 144 TPD average of Q2 2020.
- Gold sales during Q3 2020 totaled 6,456 ounces, which represents a decrease of 522 ounces compared to 6,978 ounces sold in Q2 2020. Total revenues for Q3 2020 were \$9.5 million, a decrease of \$0.9 million when compared to Q2 2020 of \$10.4 million.
- On January 14, 2020, the Company consolidated its shares issued and outstanding on one-for-ten basis.
- Subsequent to January 31, 2020, the Company completed the following corporate restructuring activities:
 - Repriced 4,540,001 share purchase warrants from CAD\$1.00 to CAD \$0.40,
 - Restructured several gold loans that were due on demand and had a fair value of \$1.1 million for new notes payable due in three years with a face value of \$0.93 million and an annual interest rate of 10%, and
 - Issued 1,058,020 shares for debt totaling \$0.21 million.

Operational Highlights - Consolidated

Quarter over Quarter highlights	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Variance % Q3 2020 to Q2 2020	Variance % Q3 2020 to Q3 2019
Tonnes processed in period (t)	12,623	13,205	10,741	14,372	16,099	(4.41%)	(21.59%)
Average daily processing volume (t)	139	144	117	161	175	(4.86%)	(21.71%)
Mineral grade processed (oz/t gold)	0.50	0.52	0.55	0.54	0.57	(3.85%)	(12.28%)
Gold production (oz)	5,331	6,195	5,419	6,830	8,343	(13.94%)	(36.10%)
Gold sold (equivalent oz) ⁽¹⁾	6,585	7,149	4,277	6,456	9,339	(7.89%)	(29.49%)
Gold sold (oz)	6,456	6,978	4,192	6,320	9,129	(7.48%)	(29.28%)
Silver sold (oz)	11,032	14,298	7,286	11,367	16,854	(22.84%)	(34.54%)
Sales revenue (\$)	9,485,930	10,374,957	5,549,466	8,413,716	11,574,969	(5.10%)	(14.94%)
Cost of goods sold ("COGS") (\$)	9,650,375	10,819,937	5,982,020	7,947,986	10,410,518	(10.81%)	(7.30%)
Gross operating margin (deficit) (\$)	195,555	(444,980)	(432,554)	465,730	1,164,451	143.95%	(83.21%)
Gross operating margin %	2.0%	(4.3%)	(7.8%)	5.5%	10.0%	146.31%	(80.26%)

INCA ONE GOLD CORP.

Management Discussion & Analysis

For the Three and Nine Months Ended January 31, 2020, and 2019

Revenue per tonne (\$)	817	773	642	639	658	5.69%	24.16%
Cost per tonne (\$)	801	806	693	603	592	(0.62%)	35.30%
Gross margin per tonne (\$)	16	(33)	(51)	36	66	148.48%	(75.76%)
Average gold (equivalent) price per oz sold (\$)	1,495	1,451	1,298	1,303	1,239	3.03%	20.66%
Cost per oz sold (\$)	1,466	1,513	1,399	1,231	1,115	(3.17%)	31.48%
Gross margin per oz sold (\$)	29	(62)	(101)	72	125	146.77%	(76.80%)
Average London Close price (\$)	1,504	1,501	1,354	1,302	1,254	0.20%	19.94%

- (1) Actual ounces of gold sold plus an estimate of the equivalent ounces of gold that could be purchased for the equivalent number of silver ounces sold.

Future Outlook

On March 15, 2020 Peruvian President Martin Vizcarra and his council of ministers approved a Supreme Decree, declaring a state of national emergency for a period of 15 days and imposed mandatory social isolation due to the Coronavirus (COVID-19) outbreak in Peru. The initial 15 day period was later extended by another two weeks until April 12, 2020.

During this period all citizens of Peru, are to stay and work from home, and Peruvian authorities have restricted non-essential transportation and travel within the country. The restrictions include a halt to all interprovincial transportation, as well as passenger domestic and international flights. All medical facilities, pharmacies, food markets, gas stations and banks will be exempt from the temporary quarantine and will remain open during this time.

Despite the state of Emergency measures enacted, Peru's mining ministry said in a statement on Tuesday March 17, 2020 that the sector would be given some leeway to carry out "critical" operations during the national emergency period, although with certain safety, health and environmental conditions. Mining companies would still be able, "to transfer essential personnel to mining units to guarantee the maintenance of their critical operations" and could continue to transport mineral concentrates and other merchandise "to ensure the operations and logistics cycle" of the sector, the ministry added.

In full compliance with the Peruvian government and the mining ministry declarations, Inca One has temporarily suspended processing operations at Chala One other than desorption and smelting activities, sending all non-essential staff home to work remotely, where possible. However, limited milling operations continue at Kori One under strict supervision, providing essential services to our mining partners to continue the supply chain as permitted by the Mining Ministry. Although there are restrictions in place for transportation and delays in the delivery of some supplies, the Company continues to export doré within this current environment while paying special attention to the health and safety of its clients and its employees at all times.

INCA ONE GOLD CORP.

Management Discussion & Analysis

For the Three and Nine Months Ended January 31, 2020, and 2019

At this time, the Company is not aware of any COVID-19 cases related to any employees and or contractors. Once the Peruvian government lifts these restrictions the Company will quickly resume normal operations at both our processing facilities.

The Company operated at 139 TPD during Q3 2020 and is currently operating at approximately 89 TPD of production through February 2020. With 450 TPD of permitted capacity, the Company has approximately 361 TPD of available capacity (80% availability).

Selected Quarterly and Annual Information

The following selected financial data with respect to the Company's financial condition and results of operations has been derived from the unaudited condensed interim consolidated financial statements of the Company for the Three Months Ended January 31, 2020, October 31, 2019 and July 31, 2019 and from the audited consolidated financial statement for the year ended April 30, 2019 as applicable. The selected financial data should be read in conjunction with those financial statements and the notes thereto.

	Three Months Ended		
	January 31, 2020	October 31, 2019	July 31, 2019
	\$	\$	\$
Revenue	9,845,930	10,374,957	5,549,466
Cost of goods sold	(9,650,375)	(10,819,937)	(5,982,020)
Gross margin (deficit)	195,555	(444,980)	(432,554)
Finance and other income (expense), net	(296,757)	(318,463)	(416,462)
Net income (loss) for the period	(726,634)	(1,437,625)	(1,439,302)
Net income (loss) per share (basic and diluted)	(0.03)	(0.05) ⁽¹⁾	(0.05) ⁽¹⁾
Other comprehensive loss	(682,823)	(1,534,530)	(1,585,462)

⁽¹⁾ Calculated on the basis to the post-consolidate share capital

	Three Months Ended		
	January 31, 2020	October 31, 2019	July 31, 2019
	\$	\$	\$
Total assets	18,867,357	20,442,144	24,175,991
Total current liabilities	9,078,522	10,034,868	9,412,584
Total long term liabilities	4,467,411	4,415,066	7,344,978

The following table sets out selected quarterly financial data from the Company's unaudited quarterly financial statements for the last eight quarters. It is important to note that the working capital deficiency at January 31, 2020 includes \$3.6 million of current liabilities that are non-interest bearing and payable in cash or shares at the Company's option. Additionally and subsequent to Q3-2020, the Company restructured \$1.1 million related to a Derivative Financial Liability into a 3 year \$0.93 million notes payable.

INCA ONE GOLD CORP.

Management Discussion & Analysis

For the Three and Nine Months Ended January 31, 2020, and 2019

Quarter ended	Working capital (deficiency)	Total assets	Long term liabilities	Net income (loss)	Basic gain (loss) per share⁽²⁾
	\$	\$	\$	\$	\$
January 31, 2020	(2,108,292)	18,867,357	4,467,411	(736,634)	(0.03)
October 31, 2019	(1,835,724)	20,442,144	4,415,066	(1,437,625)	(0.05)
July 31, 2019	2,259,771	24,175,991	7,344,978	(1,439,302)	(0.05)
April 30, 2019	3,417,245	24,057,897	7,091,690	1,204,566	0.05
January 31, 2019	3,695,305	21,251,543	8,522,216	29,793	0.00
October 31, 2018	3,010,284	21,094,908	8,337,432	(1,132,371)	(0.05)
July 31, 2018	727,893	8,597,041	2,713,920	(186,479)	(0.01)
April 30, 2018 ⁽¹⁾	776,225	9,468,096	2,788,264	(1,112,921)	(0.08)

(1) Amounts previous to Q1 2019 have been Restated to United States dollars

(2) Amounts previous to Q3 2020 have been recalculated to reflect the basic gain (loss) per share on a post consolidated basis.

Results of Operations

Three months ended January 31, 2020 compared to three months ended January 31, 2019

Revenue for Q3 2020 was \$9.8 million (Q3 2019 - \$11.6 million), and cost of goods sold was \$9.7 million (Q3 2019 - \$10.4 million) resulting in a gross operating margin of \$0.2 million (Q3 2019 - gross operating margin of \$1.2 million). The gross operating margin decreased mainly due to a decrease of 3,476 tonnes processed in Q3 2020, which represents 21.59% less ore processed than Q3, 2019 and therefore higher fixed costs per tonne and generally more difficult commercial terms for purchasing high-grade gold mill feed.

During Q3 2020, the Company reported a net loss of \$0.7 million, a decrease of \$0.8 million compared to net earnings of \$0.03 million during Q3 2019. This change is partially explained by a combination of the decrease in operating margin of \$1.0 million and partially offset by a decrease in corporate and administrative expenses of \$0.2 million.

Nine months ended January 31, 2020 compared to nine months ended January 31, 2019

Revenue for YTD Q3 2020 was \$25.8 million (YTD Q3 2019 - \$26.2 million), and cost of goods sold was \$26.4 million (YTD Q3 2019 - \$24.3 million) resulting in a gross operating deficit of \$0.7 million (YTD Q3 2019 - gross operating margin of \$1.8 million). The gross operating margin decreased mainly due to a decrease of production and gold sales from the prior year and generally more difficult commercial terms for purchasing high-grade gold mill feed.

During YTD Q3 2020, the Company reported a net loss of \$3.6 million, an increase in net loss by \$2.3 million compared to a net loss of \$1.3 million during YTD Q3 2019. This change is partially explained by a combination of the decrease in operating margin of \$2.5 million and partially offset by a decrease of \$0.2 million in corporate and administrative expenses.

INCA ONE GOLD CORP.

Management Discussion & Analysis

For the Three and Nine Months Ended January 31, 2020, and 2019

Liquidity and Capital Resources

As at January 31, 2020, the Company financed its operations and met its capital requirements primarily through the re-investment of operational cash flows from the Chala One and the Kori One plants.

The Company had cash of \$1.4 million at January 31, 2020, representing a decrease of \$0.4 million compared to cash of \$1.8 million as at April 30, 2019 and working capital deficiency of \$2.1 million at January 31, 2020 representing decrease of \$5.5 million when compared to a working capital of \$3.4 million as at April 30, 2019.

The decrease in the working capital is mainly attributable to the combined effect of:

- the reclassification of approximately \$3.1 million from non-current liabilities to current liabilities, which includes \$2.8 million of contractual liabilities as result of the acquisition of Anthem United and \$0.3 million of secured debentures,
- cash loss from operations and debt service cost of approximately \$1.6 million,
- additions to property, plant and equipment of approximately \$0.4 million, and
- the increase in the fair value of derivative financial liabilities by approximately of \$0.2 million.

As mentioned earlier, it is important to note that the working capital deficiency at January 31, 2020 includes \$3.6 million of current liabilities that are non-interest bearing and payable in cash or shares at the Company's option to Equinox Gold Corp. ("Equinox") as a result of the acquisition of Anthem United. Although the debt is presented as a current liability, the Company has elected to pay the debt in shares and therefore the debt will be settled at some date in the future, and subject to Equinox's ownership of Inca One Shares not exceeding 19.99% of the outstanding Inca One Shares (the "Equinox Ownership Limit"). At January 31, 2020, Equinox's Ownership Limit of 19.99% had been reached and therefore The Company was not able issue additional shares for the current liability.

Additionally, and subsequent to Q3-2020, the Company restructured \$1.1 million related to a Derivative Financial Liability into a 3 year \$0.93 million notes payable. The new notes payable will have a three year term and will be reflected in non-current liabilities in Q4-2020.

Management intends to continue funding operations, administration, debt and debt service costs and any capital requirements with the proceeds of the sale of gold doré and refined gold from the Company's Chala One and Kori One plants. Where required and depending on the strength of the junior resource markets, the Company will continue to be dependent on its capital resource's to cover any deficiencies in working capital.

Contractual Liabilities as a result of the Acquisition of Anthem United

As a result of the acquisition of Anthem and Kori One, the Company issued Promissory Notes payable to Equinox as follows:

- CAD\$7.5 million payable to Equinox in three equal payments of CAD\$2.5 million on the first, second and third anniversaries of the completion of the Purchase Agreement to be paid in cash or Inca One Shares at the discretion of Inca One, based on the higher of CAD\$0.065 per share and the preceding 20-day volume-weighted average price of Inca One Shares, subject to Equinox Ownership Limit.

On August 21, 2019, the Company exercised its share payment election to pay the first installment and issued 160,733 shares at \$0.065 per share as partial payment. Due to the Equinox Ownership Limit, this was

INCA ONE GOLD CORP.

Management Discussion & Analysis

For the Three and Nine Months Ended January 31, 2020, and 2019

the maximum number of shares that the Company could issue. The Company has an additional obligation of 3,685,421 shares at \$0.65 per share to satisfy this payment and will do so when Equinox's ownership is reduced below 19.99%.

- CAD\$1.5 million payment to Equinox in cash on August 21, 2020.

As part of the transaction the Company also agreed to the following contractual obligations:

- Payment of an amount equal to 50% of the Historical IGV recovered prior to the fifth anniversary of the Closing Date. During Q1 2020, the company recovered approximately \$2.4 million of Historical IGV, of which approximately \$1.2 million was payable to Equinox. During October 2019, the Company paid \$1.0 million.
- Payment in cash to Equinox on or before the August 21, 2021 for the difference between the amount of working capital at closing and \$3 million. Anthem's working capital at such date was approximately \$3.7 million, and therefore the estimated amount payable is \$0.7 million payable on August 21, 2021.

Share Issuances

On August 21, 2019 the Company issued 160,733 shares as partial payment of the installment due to Equinox as part of the consideration for the acquisition of Anthem United Inc.

Subsequent to January 31, 2020, the Company:

- issued 1,058,020 shares for debt totaling \$0.21 million.
- repriced 4,540,001 warrants, that were issued pursuant to a private placement on January 31, 2018. The warrants had an original exercise price of CAD\$1.00 and have been repriced to CAD\$0.40. The warrants are subject to an accelerated expiry of 30 days after 10 consecutive trading days closing above CAD\$0.50.

Summary of Outstanding Share Data

As at the date of this MD&A, the Company had 27,509,745 common shares issued and outstanding, 2,085,000 share-based options and 6,161,258 warrants outstanding (with exercise prices ranging between CAD\$0.18 and CAD\$12.60 per share). The fully diluted shares outstanding at the date of this MD&A is 35,756,003.

INCA ONE GOLD CORP.

Management Discussion & Analysis

For the Three and Nine Months Ended January 31, 2020, and 2019

Transactions with Related Parties

(a) Related Party Transactions

The Company's related parties consist of the Company's directors, officers and companies associated with these individuals including the following:

- A company owned by Edward Kelly, the Company's CEO (also a director).
- A company owned by Mark Wright, the Company's VP Operations & New Projects.

The following expenditures were charged by related parties during the Three and Nine Months Ended January 31, 2020 and 2019:

	Three months ended January 31,		Nine months ended January 31,	
	2020	2019	2020	2019
			\$	\$
Management, salaries and consulting fees	96,940	82,906	294,114	228,589
Director fees	7,165	7,299	21,545	22,189
Share-based payments	4,945	41,076	30,414	88,560
	109,050	131,281	346,073	339,348

Consulting and management fees were paid to companies controlled by the CEO and VP Operations & New Projects.

(b) Compensation of Key Management Personnel

The Company's key management personnel have authority and responsibility for planning, directing and controlling the activities of the Company and includes the Directors, CEO, CFO, and VP Operations & New Projects. Compensation in respect of services provided by key management consists of consulting and management fees paid to companies controlled by the CEO and VP Operations & New Projects and by the issue of options. The compensation for key management personnel paid as management were for the Three and Nine Months Ended January 31, 2020 and 2019 as follows:

	Three months ended January 31,		Nine months ended January 31,	
	2020	2019	2020	2019
			\$	\$
Management fees	58,964	45,093	180,718	137,153
Salaries	34,976	37,813	113,396	91,436
Share-based payments	2,023	41,076	21,208	88,560
	98,963	123,982	315,322	317,149

INCA ONE GOLD CORP.

Management Discussion & Analysis

For the Three and Nine Months Ended January 31, 2020, and 2019

(c) Related Party Balances

All related party balances payable, including for business expenses reimbursements, annual bonuses approved by the board of directors, and for services rendered as at January 31, 2020 are non-interest bearing and payable on demand, and are comprised of \$0.35 million (April 30, 2019 - \$0.12 million) payable to the CEO and a company controlled by the CEO, \$0.05 million (April 30, 2019 - \$0.05 million) payable to the VP Operations & New Projects or a company controlled by the VP Operations & New Projects, \$0.35 million (April 30, 2019 - \$0.11 million) payable to the CFO and \$0.30 million payable (April 30, 2019 – \$0.02 million payable) to the Directors or companies controlled by the Directors.

Commitments

In addition to the commitments in connection with the Company's financings, the Company has:

- a three-year rent agreement for its corporate office in Lima, Peru, with a monthly payment of \$3,574 and termination date on July 31, 2021, and
- a five-year rent agreement for its corporate office in Vancouver, Canada with a monthly fee of CAD\$3,768 and termination date on July 31, 2023.

During the Three and Nine months ended January 31, 2020 the Company had commitments through a derivative financial liability to sell approximately 742 ounces of gold doré to related parties, which would be settled at a future date in either cash or through the delivery of gold. At January 31, 2020, the fair value of amount owing under these contracts at the gold spot rate were \$1.2 million (April 30, 2019 - \$1 million) and is included in derivative financial liability

On March 19, 2020, the Company restructured the derivative financial liability ("Gold Agreements"). The related parties agreed to restructure the Gold Agreements (the "Loan Restructuring") in exchange for aggregate notes payable in the amount of \$0.93 million (the "Notes"). The Notes have a three-year term and bear interest at an annual rate of 10%. The Notes are repayable at any time at the Company's option and will be secured by general security agreements. As partial consideration for the Loan Restructuring, the Company has agreed to issue an aggregate of 1,388,889 bonus warrants (the "Bonus Warrants") to the Creditors. Each Bonus Warrant will entitle the holder to acquire one common share of the Company at a price of CAD\$0.18 per share for a period of three years from the date of issuance.

As at January 31, 2020 the Company had commitments to sell approximately 255 ounces of gold doré to third parties, which was settled subsequent to January 31, 2019 through the delivery of gold. At January 31, 2020 the fair value of these commitments is \$0.39 million. Additionally, the Company received advances of \$0.25 million to be offset against future sales of gold doré. Both amounts, totaling \$0.64 million (April 30, 2019 - \$1.8 million) have been included as current deferred revenues.

INCA ONE GOLD CORP.

Management Discussion & Analysis

For the Three and Nine Months Ended January 31, 2020, and 2019

A summary of undiscounted liabilities and future operating commitments on January 31, 2020 are as follows:

	Total	Within One Year	One to Five Years
Maturity analysis of financial liabilities	\$	\$	\$
Accounts payable and accrued liabilities	2,130,878	2,130,878	
Secured debentures	1,476,981	300,000	1,176,981
Contractual liabilities as result of the acquisition of Anthem United	7,011,791	4,835,563	2,176,228
Derivative financial liability	1,175,476	1,175,476	-
	11,795,126	8,441,917	3,353,209
Commitments			
Office lease rental	183,980	77,073	106,907
Gold sale deferred revenue	636,605	636,605	-
Asset retirement and reclamation obligations	1,114,202	-	1,114,202
	1,934,787	713,678	1,221,109
	13,729,913	9,155,595	4,574,318

Contingent Debenture

In September 2016 the Company completed a comprehensive capital restructuring which involved: (i) negotiating with debt holders to reduce long and short term debt, (ii) a private placement to provide sufficient working capital to ramp-up operations at the Chala Plant; and (iii) consolidating the Company's shares. As result of this restructuring, the Company issued a \$0.78 million contingent debenture certificate (the "Contingent Debenture"), which only becomes payable on the date that the Company achieves two production milestones including (i) achieving 300 tonnes per day mineral processing capacity in Peru, and (ii) achieving three months of 200 tonnes per day average daily production. Upon reinstatement, the Contingent Debenture will have a 12% annual interest rate paid quarterly in arrears, twelve-month term to maturity, certain early redemption features, and a general security agreement will be issued. If the performance milestones are not achieved before August 31, 2026 the Contingent Debenture will be cancelled.

As of January 31, 2020, the value of the contingent debenture was \$nil because the Company has not achieved three months of consecutive 200 tonnes per day average daily production. However, the first milestone of 300 tonnes per day mineral processing capacity in Peru was achieved as a result of the acquisition of Anthem.

Fair Value of Financial Instruments

As at January 31, 2020, the Company's financial instruments consist of cash, receivables, long term receivables, accounts payable and accrued liabilities, promissory notes payable, contractual liabilities, derivative financial liabilities and secured debentures.

IFRS requires disclosures about the inputs to fair value measurements for financial assets and liabilities recorded at fair value, including their classification within a hierarchy that prioritizes the inputs to fair value measurement.

INCA ONE GOLD CORP.

Management Discussion & Analysis

For the Three and Nine Months Ended January 31, 2020, and 2019

The three levels of hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly; and

Level 3 – Inputs for the asset or liability that are not based on observable market data.

As at January 31, 2020, the Company believes that the carrying values of cash, receivables, accounts payable and accrued liabilities, promissory notes payable, contractual liabilities and secured debentures approximate their fair values because of their nature and relatively short maturity dates or durations or their interest rates approximate market interest rates. The gold delivery contracts, being a derivative financial liability, have been assessed on the fair value hierarchy described above and are classified as Level 2.

Financial Instruments Risk

The Company's financial instruments are exposed in varying degrees to a variety of financial risks. The Board approves and monitors the risk management processes:

(i) Credit risk

Credit risk exposure primarily arises with respect to the Company's cash and receivables. The risk exposure is limited because the Company places its instruments in banks of high credit worthiness within Canada and continuously monitors the collection of other receivables.

(ii) Liquidity risk

Liquidity risk is the risk that the Company cannot meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to settle obligations and liabilities when they become due. As at January 31, 2020, the Company had cash of \$1.4 million (April 30, 2019 - \$1.8 million) and current working capital deficit of \$2.1 million (April 30, 2019 - \$3.4 million) with total liabilities of \$13.5 million (April 30, 2019 - \$15.1 million)

A summary of the Company's future operating commitments is presented above under the Commitments and Contingencies section.

(iii) Market risk

a. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

INCA ONE GOLD CORP.

Management Discussion & Analysis

For the Three and Nine Months Ended January 31, 2020, and 2019

The Company invests cash in guaranteed investment certificates at fixed or floating interest rates in order to maintain liquidity while achieving a satisfactory return for shareholders. A change of 100 basis points in the interest rates would not be material to the financial statements. At January 31, 2020, the Company had no variable rate debt.

b. Foreign currency risk

Foreign exchange risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of the changes in the foreign exchange rates. The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates associated with the fluctuations in its Canadian dollar and the Peruvian New Sol ("Sol") bank accounts as well as the translation of foreign-held assets and liabilities at current exchange rates.

The Company's net exposure to the Canadian dollar and Sol on financial instruments, in US dollar equivalents, is as follows:

	January 31, 2020	April 30, 2019
	\$	\$
CAD dollar:		
Cash	12,826	7,140
Receivables	11,448	23,857
Accounts payable and accrued liabilities	(448,719)	(430,578)
Secured debentures	(1,176,981)	(1,148,011)
Contractual liabilities as result of the acquisition of Anthem United	(6,237,949)	(5,813,425)
Derivative financial liability	(1,175,476)	(951,467)
Net assets (liabilities)	(9,014,851)	(8,312,484)
Sol:		
Cash	345,002	109,747
Receivables	831,627	4,144,524
Accounts payable and accrued liabilities	(522,273)	(625,297)
Net assets (liabilities)	654,356	3,628,974

Assuming all other variables constant, an increase or a decrease of 10% of the Canadian dollar against the US dollar, as of January 31, 2020 would have changed the Company's net loss by approximately \$0.9 million. Assuming all other variables constant, an increase or a decrease of 10% of the Peruvian sol against the US dollar, as of January 31, 2020 would have changed the Company's net loss by approximately \$0.1 million.

The Company had no hedging agreements in place with respect to foreign exchange rates.

INCA ONE GOLD CORP.

Management Discussion & Analysis

For the Three and Nine Months Ended January 31, 2020, and 2019

c. Commodity price risk

Commodity price risk is the risk of financial loss resulting from movements in the price of the Company's commodity inputs and outputs. The Company's price risk relates primarily to: the spot price of gold for its derivative financial liability balance and future gold price expectations as it relates to sales revenues. The Company continuously monitors precious metal trading prices as they are included in projections prepared to determine its future strategy.

Off-Balance Sheet Arrangements

The Company has not entered into any off-balance sheet arrangements.

Critical Accounting Policies and Estimates

The preparation of the Company's consolidated financial statements in accordance with IAS 1, *Presentation of Financial Statements*, requires management to make certain critical accounting estimates and to exercise judgment that affect the accounting policies and the reported amounts of assets, liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amounts of assets or liabilities in future periods.

Significant accounting judgments that Management has made in the process of applying accounting policies which it considers have had the most significant effect on the amounts recognized in the consolidated financial statements include, but are not limited to going concern, title to and economic recoverability and probability of future economic benefits of exploration and evaluation assets, date of commencement of commercial production, and determination of functional currency. Management considers the areas currently requiring a significant degree of estimation and assumption and which have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year, to include, but not be limited to, the value attributed to share-based compensation, promissory notes payable, secured debentures and debentures with warrants, marketable securities, long term receivable, asset retirement and reclamation obligation, and deferred taxes.

These accounting policies and estimates are further discussed in the Company's annual audited consolidated financial statements on April 30, 2019.

Risks and Uncertainties

Mineral processing and natural resources exploration, development, and production involve a number of business risks, some of which are beyond the Company's control. These can be categorized as operational, financial and regulatory risks.

INCA ONE GOLD CORP.

Management Discussion & Analysis

For the Three and Nine Months Ended January 31, 2020, and 2019

Operational Risks:

The Company continuously monitors and responds to changes in operational risks, such as those noted below, and seeks to adhere to all regulations governing its operations.

Mineral Supply: The Company may not be able to source sufficient mill feed to operate both the Chala One and Kori One plants economically. In particular, the Company currently sources material exclusively from third-party sources and faces a competitive marketplace for purchase of supply from Peruvian government-approved mineral sources. Consequently, the Company does not have control over the mineral grade, metallurgical recovery, nor quantities received, noting that the Company mitigates this risk by working with minimum cut-off purchase grades, providing fair terms to their customers, and sourcing material from established suppliers to ensure best efficiency and profitability of its plant operation.

Production Schedules: In relation to the mineral supply risks, no assurances can be provided that production schedules at the Chala One plant nor the Kori One plant, and the related operating margins and cash flows, are achieved, noting that failure to meet these schedules can have an adverse impact on the Company's profitability, results of operations, cash flows, and overall financial conditions.

Qualified Staff: Due to the competitive marketplace, the Company may have difficulty in hiring and retaining skilled employees and contractors to source sufficient mineral feed, operate the Chala One plant and the Kori One plant effectively (noting the diversity of mill feed received), and effectively administer the Peruvian permitting, compliance, exportation, and regulatory functions.

Regulations, Permits, and Hazards: The Company must also manage changing governmental laws and regulations, and the Company cannot guarantee title to its properties and permits. The Company must also contend with environmental hazards (including discharge of pollutants or hazardous chemicals), as well as industrial accidents and occupational and health hazards, mechanical failures, the unavailability of materials and equipment, and or lack of accessibility to required expertise.

Resource Properties: The Company may not be able to find and develop resource properties economically. In addition, the Company may have to deal with development and mining issues including pit slope failures, unusual or unexpected rock formations, poor or unexpected geological or metallurgical conditions, poor or inadequate ventilation, failure of mine communication systems, poor water conditions, interruptions to gas and electricity supplies, human error and adverse weather conditions.

Acquisitions: There is no assurance that the Company will acquire mineral properties and processing plants and any acquisitions may expose the Company to new risks, and the mining industry is intensely competitive for the acquisition of new properties and plants.

Financial risks:

Financial risks include commodity prices, interest rates and fluctuating foreign exchange rates, all of which are beyond the Company's control. Additional financial risks are the Company's ability to raise capital to continue funding its operations.

INCA ONE GOLD CORP.

Management Discussion & Analysis

For the Three and Nine Months Ended January 31, 2020, and 2019

Regulatory risks:

Regulatory risks include the possible delays in getting regulatory approval to, and permits for, the transactions that the Board of Directors believe to be in the best interest of the Company, and include increased fees for filings, the introduction of ever more complex reporting requirements the cost of which the Company must meet in order to maintain its exchange listing.

Financial Instruments and Risk:

For a description of the risks faced by the Company with respect to financial instruments, see the Company's unaudited condensed interim consolidated financial statements for the Three and Nine Months Ended January 31, 2020.

Cautionary Statement on Forward-Looking Information

This MD&A contains forward-looking statements. All statements, other than statements of historical fact, constitute "forward-looking statements" and include any information that addresses activities, events or developments that the Company believes, expects or anticipates will or may occur in the future including the Company's strategy, plans or future financial or operating performance and other statements that express management's expectations or estimates of future performance.

Forward-looking statements are generally identifiable by the use of the words "may", "will", "should", "continue", "expect", "anticipate", "estimate", "believe", "intend", "plan" or "project" or the negative of these words or other variations on these words or comparable terminology. All such forward-looking information and statements are based on certain assumptions and analyses made by the Company's management in light of their experience and perception of historical trends, current conditions and expected future developments, as well as other factors management believes are appropriate in the circumstances. These statements, however, are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed, implied by or projected in the forward-looking information or statements.

Important factors that could cause actual results to differ from these forward-looking statements include but are not limited to: risks related to the exploration and potential development of the Company's projects, risks associated to international operations, the actual results of current exploration activities, conclusions of economic evaluations, changes in project parameters as plans continue to be refined, future prices of minerals, as well as those factors discussed in the sections relating to risk factors of the Company set out in this MD&A.

There can be no assurance that any forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, the reader should not place any undue reliance on forward-looking information or statements. Except as required by law, the Company does not intend to revise or update these forward-looking statements after their date of issue, or to revise them to reflect the occurrence of future unanticipated events.

INCA ONE GOLD CORP.

Management Discussion & Analysis

For the Three and Nine Months Ended January 31, 2020, and 2019

Disclosure Controls and Procedures

Disclosure controls and procedures are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized, and reported within the time periods specified by securities regulations and that the information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. In connection with National Instrument 52-109 (Certificate of Disclosure in Issuer's Annual and Interim Filings) ("NI 52-109"), the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited condensed interim consolidated financial statements for the Three and Nine Months Ended January 31, 2020 and this accompanying MD&A (together, the "Interim Filings").

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information, the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Annual Filings on SEDAR at www.sedar.com.