This document provides management's discussion and analysis (MD&A) for our financial condition as at October 31, 2019, and results of operations for the year ended October 31, 2019. This MD&A should be read in conjunction with the Company's consolidated financial statements and notes for the year ended October 31, 2019. ***This MD&A has been prepared as of February 27, 2020 and is current to that date unless otherwise stated.***

Certain statements in this report may constitute forward-looking statements that are subject to risks and uncertainties. A number of important factors could cause actual outcomes and results to differ materially from those expressed in these forward-looking statements. Consequently, readers should not place any undue reliance on such forward-looking statements. In addition, these forward-looking statements relate to the date on which they were made.

In particular, forward looking comments regarding both the Company's plans and operations included in the "Company Overview" with respect to management's planned exploration and other activities, and in "Liquidity", and "Commitments" regarding management's estimated ability to fund its projected costs of exploration work and general corporate costs of operations, and its ability to raise additional funding through placement of the Company's common shares, are plans and estimates of management only and actual results and outcomes could be materially different.

Additional information regarding the Company, including copies of the Company's continuous disclosure materials is available on the Company website at www.silverspruceresources.com or through the SEDAR website at www.sedar.com.

Company Overview

Silver Spruce Resources Inc. (the "Company") is a junior exploration company headquartered in Bedford, Nova Scotia. The Company is focused on exploration for precious metals.

In 2015, the Company focused business activities on developing near term properties to maximize benefit to shareholders. In 2015, the Company acquired a 100% interest in Pino de Plata, a 397 hectare property in the southwest corner of the state of Chihuahua, Mexico. The initial NI 43-101, detailed below, shows very promising results resulting in the Company focusing on developing Pino de Plata.

As of October 31, 2019, cash reserves, totaled $156,219. The Company continues to pursue its strategy to cash flow ready or near cash flow ready properties.

Selected Annual Information

The table below outlines selected financial information to the Company's years ended October 31, 2019 and 2018. The financial information is extracted from the Company's audited consolidated financial statements.

	2019	2018
	$	$
Net and comprehensive loss	(925,062)	(699,301)
Net loss per share -basic and diluted	(0.01)	(0.01)
Total assets	271,407	1,041,762
Total long-term financial liabilities	-	-

For the year ended October 31, 2019, the Company had a net loss of $925,062 (loss per share of $0.01) compared to a loss of $699,301 (loss per share of $0.01) for the year ended October 31, 2018.

Other general, administrative and professional expense increased to $516,533 in 2019 (2018 - $375,150) due to accounting, audit and legal increasing to $63,978 (2018 - $42,715); corporate relations decreased to $143,383 (2018 - $139,407); office and general increased to $91,258 (2018 - $68,845); and consulting increased to $217,914 (2018 - $124,183) due to more corporate activity in 2019.

For the year ended October 31, 2019, the Company recorded $nil in stock-based compensation compared to $1,629 for the year ended October 31, 2018.

For the year ended October 31, 2019, the Company incurred $374,368 on its exploration properties compared to $29,918 in the prior year.

Selected Quarterly Information

The table below outlines selected financial information related to the Company's most recent eight quarters, accompanied by the applicable comparative period information.

	October 31, 2019	**July 31, 2019**	**April 30, 2019**	**January 31, 2019**
	$	**$**	**$**	**$**
Net loss	487,639	192,681	160,082	84,660
Net loss per share -basic and diluted	0.01	0.00	0.00	0.00
	October 31, 2018	**July 31, 2018**	**April 30, 2018**	**January 31, 2018**
	$	$	$	$
Net loss	216,474	138,343	185,153	159,331
Net loss per share -basic and diluted	0.01	0.00	0.00	0.00

For the three months ended October 31, 2019, the Company had a net loss of $487,639 (October 31, 2018 - $216,474) and loss per share of $0.01 (October 31, 2018 - $0.01).

Fourth Quarter

The net loss for the fourth quarter of F2019 was $487,639 versus a net loss of $216,474 for the comparable quarter of F2018, representing an increase of $271,165. The increase in the net loss resulted from elevated activity due to the evaluation of the Cocula project. The increase in the loss was primarily attributable to higher: (1) exploration and evaluation expenditures (F2019 - $209,091 vs F2018 - $nil).

Consulting fees and corporate relations expenses (F2019 - $209,344 vs F2018 - $47,239) experienced an increase of $162,105, which reflects: growth in management compensation; costs to support activity at the Company's office in Bedford, Nova Scotia; additional professional fees for legal services; and, the expansion of marketing and corporate development activities.

Expenditures on Mineral Properties

During the quarter ended October 31, 2019, and the quarters ended July 31, 2019, April 30, 2019, and January 31, 2019 and the comparative periods, the Company incurred the following expenditures on exploration:

	October 31, 2019	July 31, 2019	April 30, 2019	January 31, 2019
	$	$	$	$
Kay Mine	-	-	-	-
Pino de Plata	-	111,113	28,784	-
Melchett Lake	32,123	-	-	-
Cocula	182,111	20,237	-	-

	October 31, 2018	July 31, 2018	April 30, 2018	January 31, 2018
	$	$	$	$
Kay Mine	-	-	1,021	9,019
Pino de Plata	-	3,280	10,584	6,014
Melchett Lake	-	-	-	-
Cocula	-	-	-	-

The exploration expenses for each property primarily relate to geologist consulting fees with limited amounts incurred for drilling and concession taxes.

PROJECTS – METALS

Pino de Plata, Mexico

On February 29, 2016, the Company signed an amended agreement that supersedes the original purchase agreement and enables the Company to purchase a 100% interest in the Pino de Plata property. The revised financial terms are as follows:

- Total cash payments reduced to US$500,000 over two years (US$125,000 ($168,459) paid);

- One share issuance of 2,500,000 common shares, issued on June 15, 2016 and valued at $0.07 per common share based on the quoted market value of the common shares on that date. One payment of $250,000 to be paid in common shares in lieu of cash, at a share price equal to the 20-day average closing price of the Company's shares on the TSXV, subject to exchange approvals;

- A three percent (3%) gross production royalty capped at US$4 million, which can be purchased for US$1,333,333 per percentage point at any time and are reduced by the total amount of advanced royalty payments; and

- The Company is subject to advanced Royalty payments of US$10,000 per month to commence 30 days after the acquisition is finalized, registered and documented with the proper authorities.

As a result of a delay in being able to access the property, an addendum to the purchase agreement was made during 2017 to suspend the terms of the agreement until access is gained to the property. The ongoing interest in the property is subject to satisfactory resolution of the access restriction.

The property is 397 hectares located approximately fifteen kilometres from Coeur Mining Inc.'s Palmerajo open pit and underground operations. This Property shows historical small scale surface mining of high grade silver (> 1,000 g/ton) dating back to approximately the 1600's and the entire project sits on top of an intrusive system with widespread anomalous mineralization.

This Property has been privately held by the same individual since 1984 and has never been drilled or fully explored.

In May 2015, Silver Spruce completed an initial National Instrument 43-101 exploration assessment report which identified three areas for follow-on exploration and drilling. The 43-101 involved on-site field examination which systematically sampled areas of known small scale historical production. But the areas sampled for the 43- 101only represent approximately one quarter of the total Project area. Approximately ninety-two samples were taken during the field examination and show widespread intrusive epithermal mineralization at surface with silver values, on average, of greater than 50 grams per tonne (g/t), that is 1.6 ounces per tonne (opt), over an area of more than 1 square km (>100 Ha). Within the area examined, specific targets were sampled with silver (Ag) assays of up to 557 g/t or 17.9 opt. The following are the three target areas identified in the 43-101.

The Terrero - target, was identified as has having an area of over 20,000 square metres (>2 Ha), where "the replacement epithermal mineralization in igneous rocks contains good silver grades at surface in un-oxidized rock. Seven out of nine samples, taken at surface, contained > 1 opt Ag to as much as 17.9 opt Ag with an average silver grade of 250 g/t (8 opt) Ag. Little additional work in the way of mapping and sampling is required prior to drilling this prospect.

The Santa Elena – is a Gossan target area presents a viable target for replacement Ag-Pb-Zn-Cu deposits. Unoxidized replacement mineralization from the Santa Elena Mine approaches 200 g/t (6.4 opt) Ag. This area has the potential for relatively shallow replacement mineralization over an area of > 20 Ha." The sampling in the Santa Elena – Gossan target area also revealed elevated values of >2-3% Zn and anomalous Au, Cu and Pb.

Vein Targets - "The Sierpe and Theodora veins are open on strike and have indications of ore grade Ag (>250 g/t or 8 opt Ag) and reasonably minable widths (>= 1 m). Newly exposed, Ag mineralized quartz veins in road cuts to the west along with favorable alteration west of the Sierpe and Theodora mines make these attractive vein targets." The sampling in the Sierpe I, Sierpe II and Theodora vein target areas also revealed elevated values of up to 5% Pb and up to 7% Zn, with anomalous Au values up to 0.461 g/t.

Only approximately 50% of the Project surface was examined during the 43-101 assessment.

The Company plans an efficient and effective Phase I exploration program to quickly define a significant maiden resource with open pit mining potential to exploit in the near to medium future with minimal capex requirements. As a result of a delay in being able to access the property, an addendum to the purchase agreement was made during 2017 to suspend the terms of the agreement until access is gained to the property.

Melchett Lake, Ontario

In September 2019, the Company signed a binding letter of intent with three parties to acquire 100% of the Melchett Lake zinc-gold-silver volcanogenic massive sulphide (VMS) project, an advanced precious and base metal project in the Thunder Bay mining district, Northern Ontario, Canada.

After completing due diligence, the Company entered into a purchase agreement on November 20, 2019 to acquire 100% of the property. As consideration, the Company will pay the vendors $150,000 in cash and 5,000,000 common shares of the Company, spread over three years.

Minimum work expenditures total $1,000,000, with $100,000 during the first year, $200,000 in the second year and $700,000 prior to the third anniversary. The vendors will retain a 2% net smelter return royalty, of which 1% can be purchased by the Company for $1,000,000 and the remaining 1% at market price.

The property, located within the Melchett Lake greenstone belt of the English River subprovince of the Archean-age Superior province, is underlain by a bimodal mafic-felsic sequence of pyroclastics, tuffs and flows with cherts and iron-lean (Fe) to Fe-rich iron formation. The Melchett Lake belt contains several occurrences of polymetallic zinc-lead-copper-silver-gold (Zn-Pb-Cu-Ag-Au) VMS mineralization similar to ore deposits exploited at Mattabi, Winston Lake, Geco, Brunswick and Rouyn-Noranda. Base metal mineralization consisting of pyrite, sphalerite, chalcopyrite and galena occurs within the intermediate to felsic metavolcanic sequences of the property. There are locally high-grade lenses of Zn AND Ag, with variable Cu, Au and Pb and historical gold grades to 28.8 g/t Au, silver grades to 560 g/t Ag and zinc grades to 19.1 per cent.

Highlights of the prospective geology, alteration and mineralization include multiple folded or stacked horizons of coincident alteration and metal mineralization, high Zn/Cu, Zn/Pb and Ag/Au ratios, extensive remobilization of major and trace elements with defined enrichment (Fe, magnesium (Mg), cobalt (Co), chromium (Cr) and cadmium (Cd)) and depletion (sodium (Na), strontium (Sr) and calcium (Ca)) zones and continuity, increased alteration, and anomalous metal values over large intervals with a strong electromagnetic offhole response. The mineralization is interpreted to occur as paleo-topographic accumulations related to fumarolic activity, forming polymetallic deposits overprinted by a later-stage gold-rich event.

The Kay Mine Project, Arizona, United States of America

On January 30, 2019 the Company completed the sale of the Kay Mine project to a private company that intends to go public on a Canadian stock exchange. The purchaser has assumed the $566,775 (US$450,000) debt provided to the Company to satisfy its original purchase of the patented claims at the project, along with $41,555 (US$31,500) accrued interest, and has received $35,458 (US$27,732) cash after the Company's portion of the closing costs were applied. Within six months of closing, and the announcement by the purchaser of a public listing, the Company will receive $100,000 cash payment and $250,000 worth of the purchaser's shares upon its listing on a public stock exchange. The Company has the option to elect a cash payment in lieu of shares if the purchaser's shares are not listed on a public stock exchange within six months of signing the agreement.

During the year ended October 31, 2019, the Company received total payments of $350,000 from the acquirer which concludes the Company's sale of the Kay mine project.

Cocula, Mexico

In July 2019, the Company signed a binding letter of agreement with Prospeccion y Desarrollo Minero del Norte SA de CV (ProDeMin) to assume ProDeMin's option agreement to acquire 100% of the Cocula project, an advanced gold project in the Ameca mining district of Jalisco state, Mexico.

As of November 30, 2019, the Company has terminated the letter of agreement.

LIQUIDITY, FINANCINGS AND CAPITAL RESOURCES

Operating Activities

The Company had a net cash outflow from operating activities of $868,029 for the year ended October 31, 2019 (October 31, 2018 - $351,908). The operating cash flows represent the net loss for the year offset by growth in accounts payable, prepaid expenses, and HST receivable.

Financing Activities

The Company had a net cash inflow from financing activities of $630,658 for the year ended October 31, 2019 (October 31, 2018 - $321,084). Financing activity reflects cash loans provided by directors to fund its immediate working capital requirements; and, the closing of private placements in February and August 2019.

Investing Activities

The Company had a cash inflow from investing activities of $385,458 for the year ended October 31, 2019 (October 31, 2018 - $nil). The cash inflow from investing represents the cash proceeds received from the sale of the Kay Mine.

Liquidity

The Company had cash of $156,219 as at October 31, 2019 (October 31, 2018 - $8,132). The change in non-cash operating working capital as at October 31, 2019 was a cash inflow of $40,741 (October 31, 2018 - $159,800).

Capital Resources

The Company's authorized capital consists of an unlimited number of common and preference shares without par value. At October 31, 2019, the Company had 91,155,833 issued and outstanding common shares (October 31, 2018 – 68,561,992).

RELATED PARTY TRANSACTIONS

Included in accounts payable and accrued liabilities as at October 31, 2019 is $325,207 (2018 - $267,319) owing to directors and companies controlled by directors of the Company for consulting related services rendered. These amounts are unsecured, non-interest bearing with no fixed terms of repayment.

As at October 31, 2019, the total loans payable to a former director is $83,473 (2018 - $81,723). The loans are unsecured and bear interest at rates from 0% - 5% per year with no fixed terms of repayment. During the year ended October 31, 2019, the loans incurred interest expense of $1,750 (2018 - $1,750) which is outstanding at period end and is due on demand.

During the year ended October 31, 2019, key management personnel compensation consisted of services provided by companies owned by directors of $122,997 (2018 - $34,625), which are classified as consulting fees and exploration and evaluation expenditures on the consolidated statement of operations.

OFF-BALANCE-SHEET TRANSACTIONS

There are no off-balance sheet transactions contemplated at this time.

COMMITMENTS

The Company's exploration and evaluation activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive.

The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

The Company has indemnified the subscribers of current and past flow-through share subscriptions from any tax consequences arising from the failure of the Company to meet its commitments under the flow-through subscription agreements.

CRITICAL ACCOUNTING ESTIMATES

The Company prepares its consolidated financial statements in accordance with IFRS. Under IFRS, management is required to make judgments, estimates and assumptions about future events that could affect the carrying amounts of the assets and liabilities. Although these estimates are based on Management's best knowledge of the amount, event or actions, actual results may differ from those estimates and these differences could be material.

The areas that require Management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

i. the carrying valuation of assets and impairment charges;
ii. the inputs used in accounting for valuation of warrants and options which are included in the statement of financial position;
iii. the inputs used in accounting for share-based payment expense in the statement of operations;
iv. the $nil provision for decommissioning and restoration obligations which are included in the statement of financial position; and
v. the determination of the Company's provision for taxes.

FINANCIAL INSTRUMENTS

Fair Value

IFRS requires that the Company disclose information about the fair value of its financial assets and liabilities. Fair value estimates are made at the balance sheet date, based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties in significant matters of judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

The carrying amounts for cash, amounts receivable, prepaid expenses, accounts payable and accrued liabilities on the balance sheets approximate fair value due to their short-term maturity. The fair value of long term debt approximates its carrying value based on current borrowing rates.

RISKS AND UNCERTAINTY

The Company's financial success is dependent upon the extent to which it can discover mineralization or acquire mineral properties and the economic viability of developing its properties. The market price of minerals and/or metals is volatile and cannot be controlled. There is no assurance that the Company's mineral exploration and development activities will be successful. The development of mineral resources involves many risks in which even a combination of experience, knowledge and careful evaluation may not be able to overcome. The Company has no source of financing other than those identified in the section on liquidity, financings and capital resources.

Credit Risk
The Company's credit risk is primarily attributable to cash and other receivables. The Company's cash is held with highly rated financial institutions.

The Company has concluded that credit risk with regards to other receivables is minimal.

Liquidity Risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has no income from operations or a regular source of cash flow and relies on equity funding to support its exploration and corporate activities. Should the need for equity funding arise, there is a risk that the Company may not be successful in selling new common shares at acceptable prices.

Interest rate risk
The Company's loans payable bear a fixed interest rate and therefore are not subject to interest rate risk. The Company invests any cash surplus to its operational needs in investment-grade short-term deposit certificates issued by highly rated Canadian banks. The Company periodically assesses the quality of its investments and is satisfied with the credit rating of the bank.

Foreign currency risk
The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. The Company's property acquisition obligation is denominated in United States Dollars ("US$") and is subject to fluctuations in that currency's value relative to the Canadian dollar.

Mexican Operating Risk
The Company's operations in Mexico are exposed to various levels of political, economic and other risks and uncertainties and any changes in the political or economic climate in Mexico, even if minor in nature, may adversely affect the Company's exploration activities. These risks and uncertainties vary from time to time and include, but are not limited to: labour disputes, invalidation of governmental orders and permits, uncertain political and economic environments, potential for bribery and corruption, high risk of inflation, currency devaluation, high interest rates, sovereign risk, military repression, civil disturbances and terrorist actions, arbitrary changes in laws or policies, consents or rejections, granting of waivers, corruption, arbitrary foreign taxation, delays in obtaining or the inability to obtain necessary governmental permits, opposition to mining from environmental or other non-governmental organizations, limitations on foreign ownership, difficulty obtaining key equipment and components for equipment and inadequate infrastructure.

Exploration risk
There is no assurance that the activities of the Company will be successful and result in economic deposits being discovered and in fact, most companies are unsuccessful due to the low probability of discovering an economic deposit. Once mineralization is discovered, it may take several years until production is possible during which time the economics of a project may change. Substantial expenditures are required to establish reserves through drilling. The Company's ability to establish a mining operation is subject to a host of variables, such as the physical, technical and economic attributes of a deposit, availability of capital, cyclical nature of commodity markets and government regulations.

Exploration activities involve risks which even a combination of experience, knowledge and prudence may not be able to overcome. Exploration activities are subject to hazards and risks which could result in injury or death, property damage, adverse environmental conditions and legal liability. Fires, power disruptions and shortages and the inability to access land or obtain suitable or adequate equipment or labour are some of the hazards and risks involved in conducting an exploration program.

CURRENT MARKET CONDITIONS

The fundamentals for gold and silver have improved and are expected to remain strong for the rest of 2020. Prices dropped significantly in 2013 and were volatile in 2014 although still at reasonable levels historically. The Company is excited about the Pino de Plata and Melchett Lake silver/gold prospects for this reason.

OUTLOOK

The Company is currently focusing on mineral projects that can be cash positive in the short to medium term. The Company feels the Pino de Plata project has potential to meet this objective. As at October 31, 2019, the Company's cash is $156,219. Although the Company has been successful in raising funds to date, there can be no assurance that adequate or sufficient funding will be available in the future, or available under terms acceptable to the Company. Failure to obtain sufficient and timely financing may result in delaying or indefinitely postponing exploration or development activities. If the Company obtains debt financing, it may expose its operations to restrictive loan and lease covenants and undertakings. If the Company obtains equity financing, existing shareholders may suffer dilution.

OUTSTANDING SHARE DATA

As at	Common Shares	Warrants	Stock Options	Fully Diluted
October 31, 2019	91,155,833	28,347,841	600,000	120,103,674
February 26, 2020	96,205,833	33,397,841	600,000	130,203,674

GOING CONCERN (Note 2 – October 31, 2019 Audited Financial Statements)

The financial statements of the Company have been prepared in accordance with IFRS on a going concern basis which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business. Several adverse conditions, however, cast significant doubt on the validity of this assumption. The Company does not have any proven economically recoverable reserves on the Company's interest in mineral properties held for exploration and to date; the Company has earned no direct mining related revenues. The Company's assets are subject to increases in taxes and royalties, renegotiation of contracts, currency exchange fluctuations and restrictions, and political uncertainty.

The Company's continued existence is dependent upon the discovery of economically recoverable reserves, the ability of the Company to raise additional financing, or future profitable production. It is not possible to predict whether financing efforts will be successful.

The company has enough capital to maintain itself as a going concern for the next few months, however the Company's ability to continue as a going concern for the rest of 2020 and beyond, is dependent on its ability to raise money in the form of a private or public placement, loans, grants and/or a joint venture on our properties with a partner who would provide the financing for the exploration or a change of business associated with new funding. There is no certainty the Company will be successful in accessing such funding.

CHANGES IN ACCOUNTING POLICIES

IFRS 9, *Financial Instruments*

Effective November 1, 2018, the Company adopted IFRS 9, *Financial Instruments*, which resulted in changes in accounting policies as described below. In accordance with the transitional provisions in both standards, the Company adopted these standards retrospectively without restating comparatives, with the cumulative impact adjusted in the opening balances as at November 1, 2018. There were no material effects on opening balances at November 1, 2018 with respect to the adoption of these policies.

IFRS 9 replaces International Accounting Standard (“IAS”) 39, *Financial Instruments: Recognition and Measurement*. IFRS 9 introduces new requirements for the classification, measurement and impairment of financial assets and hedge accounting. It establishes two primary measurement categories for financial assets: (i) amortized cost and (ii) fair value either through profit or loss (“FVPL”) or through other comprehensive income (“FVOCI”); establishes criteria for the classification of financial assets within each measurement category based on business model and cash flow characteristics; and eliminates the existing held for trading, held to maturity, available for sale, loans and receivable and other financial liabilities categories. IFRS 9 also introduces a new expected credit loss model for the purpose of assessing the impairment of financial assets and requires that there be a demonstrated economic relationship between the hedged item and hedging instrument.

Upon adoption of IFRS 9, the two main changes in the Company’s accounting policy on financial instruments are: i) equity investments previously classified as available-for-sale are now classified as financial assets measured at FVOCI and ii) derivative instruments previously held for trading now qualify for hedge accounting to the extent they comply with the IFRS 9 criteria for hedge accounting.

The Company adopted IFRS 9 retrospectively without restating comparatives and therefore the comparative information in respect of financial instruments for the year ended October 31, 2018 was accounted for in accordance with the Company’s previous accounting policy under IAS 39.

IFRS 16, *Leases*

In January 2016, the IASB issued IFRS 16 Leases, which requires lessees to recognize assets and liabilities for most leases. Application of the standard is mandatory for annual reporting periods beginning on or after January 1, 2019, although early adoption is permitted, provided the new revenue standard, IFRS 15, has been applied or is applied at the same time as IFRS 16.

The Company is currently evaluating the impact of the above standards on its financial performance and financial statement disclosures and expects that such impact, if any, would not be material.