

BITTERROOT RESOURCES LTD.
MANAGEMENT DISCUSSION & ANALYSIS

For the three months ended January 31, 2020
As of March 30, 2020

INTRODUCTION

Bitterroot Resources Ltd. is a mineral resource company engaged directly and indirectly through its wholly-owned subsidiaries, (collectively referred to herein as “the Company” or “Bitterroot”), in the acquisition and exploration of mineral properties.

In the Upper Peninsula of Michigan, Bitterroot’s wholly-owned subsidiary Trans Superior Resources, Inc. (Trans Superior) holds a 100% leasehold interest in the LM Property, which hosts a drill-ready nickel-copper-PGM target. The LM Property is located 25 kilometres west of the Eagle nickel-copper-PGM mine, in a similar geologic setting. In February 2020, the Company entered into an option/joint venture agreement whereby an arm-length private company will fund exploration expenditures of US\$285,000 to earn a 49% interest in the LM property.

Also in the Upper Peninsula of Michigan, Trans Superior owns a 49.9% interest in mineral titles covering approximately 360 square miles. In September 2015, Bitterroot entered into an agreement with Altius Minerals Corporation (“Altius”), whereby Altius has earned a 50.1% interest in these mineral rights and has an option to earn up to an 80% interest by incurring expenditures of C\$7.5 million. Altius is seeking a joint venture partner to fund the project.

In Nevada, Trans Superior has entered into an option agreement with Ely Gold Royalties Inc. (ELY, TSX-V) to purchase a 100% interest in the Castle West gold/silver property in the Walker Lane mineralized trend. Preliminary surface exploration commenced in 2019.

In southern British Columbia, the Company owns a 100% interest in the North Brenda claim group, where three zinc-silver targets were drill-tested in October and November 2019. No further work is planned.

Between November 1, 2019 and March 27, 2020, gold spot prices increased approximately 8%, copper spot prices decreased approximately 18% and the S&P/TSX Venture Composite Index decreased approximately 28%. The Company is exposed to commodity price and equity market risk due to the cyclical nature of commodity prices and the mineral exploration business. The Company’s management minimizes exploration costs and political risk by operating in mining-friendly, road-accessible North American jurisdictions.

The following Management Discussion and Analysis (MD&A) should be read in conjunction with Bitterroot Resources Ltd.’s condensed consolidated interim financial statements for the period ended January 31, 2020 and the audited annual consolidated financial statements for the year ended October 31, 2019 and the related notes contained therein which have been prepared under International Financial Reporting Standards (“IFRS”). This information and exploration results are presented in news releases and project summaries available www.sedar.com or on the Company’s website www.bitterrootresources.com.

All financial information in this MD&A related to 2020 and 2019 have been prepared in accordance with IFRS and all dollar amounts are quoted in Canadian dollars, the reporting and functional currency of the Company, unless specifically noted.

FORWARD LOOKING STATEMENTS

Certain information in this MD&A, including all statements that are not historical facts, constitutes forward-looking information within the meaning of applicable Canadian securities laws. Such forward-looking information may include, but is not limited to, information which reflect management's expectations regarding the Company's future growth, results of operations (including, without limitation, future production and capital expenditures), performance (both operational and financial) and business prospects (including the timing and development of new deposits and the success of exploration activities) and opportunities. Often, this information includes words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate" or "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

In making and providing the forward-looking information included in this MD&A the Company's assumptions may include among other things: (i) assumptions about the price of metals; (ii) that there are no material delays in the optimisation of operations at the properties; (iii) assumptions about operating costs and expenditures; (iv) assumptions about future production and recovery; (v) that there is no unanticipated fluctuation in foreign exchange rates; and (vi) that there is no material deterioration in general economic conditions. Although management believes that the assumptions made and the expectations represented by such information are reasonable, there can be no assurance that the forward-looking information will prove to be accurate. By its nature, forward-looking information is based on assumptions and involves known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements, or results, to be materially different from future results, performance or achievements expressed or implied by such forward-looking information. Such risks, uncertainties and other factors include among other things the following: (i) decreases in the price of metals; (ii) the risk that the Company will continue to have negative operating cash flow; (iii) the risk that additional financing will not be obtained as and when required; (iv) material increases in operating costs; (v) adverse fluctuations in foreign exchange rates; and (vi) environmental risks and changes in environmental legislation.

This MD&A (See "Risks and Uncertainties") contains information on risks, uncertainties and other factors relating to the forward-looking information. Although the Company has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in the forward-looking information, there may be other factors that cause actual results, performances, achievements or events not to be anticipated, estimated or intended. Also, many of the factors are beyond the Company's control. Accordingly, readers should not place undue reliance on forward-looking information. The Company undertakes no obligation to reissue or update forward looking information as a result of new information or events after the date of this MD&A except as may be required by law. All forward-looking information disclosed in this document is qualified by this cautionary statement.

In March 2020 the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds.

OVERALL PERFORMANCE

Results of Operations

LM Nickel-Copper-PGM Property, Upper Peninsula of Michigan

Bitterroot's Michigan subsidiary has entered into an option/joint venture agreement with Below Exploration, Inc., ("Below") a private Michigan corporation, whereby Below can earn a 49% joint venture interest in the LM nickel-copper-platinum-palladium property in Baraga County, Michigan. Below is required to fund US\$285,000 of exploration expenditures prior to the first anniversary of the agreement to earn a 49% joint venture interest. Bitterroot will be the project operator, regardless of its ownership level, and retains a right of first refusal over Below's property interest. Following vesting of its 49% interest, Below will have a 90-day option to convert its interest in the project into the Company's shares. The value of the project will be determined at that time by an independent Qualified Person acceptable to both parties. If it were to occur, the conversion into the Company's shares will be subject to the approval of the TSX Venture Exchange and is subject to applicable securities laws. If Below does not exercise the share conversion option, the joint venture will continue.

The LM nickel-copper-PGM property comprises 40 acres of privately-owned mineral rights located approximately 25 km west of Lundin Mining's Eagle Mine, in a similar geologic setting. In 1995, following the discovery of nickel-copper mineralized boulders in a nearby gravel pit, Kennecott Exploration Company drilled one shallow angle hole on the LM target. This hole intersected 190 metres of an olivine gabbro intrusion which is prospective at depth for conduit hosted, high-grade magmatic nickel-copper-PGM deposits similar to the Eagle and Eagle East deposits. The 1995 Kennecott angle hole tested the Eagle-sized LM intrusion to a depth of only 170 metres below surface. In the mid 2000's, several years after Kennecott had released the LM Property, drilling nearby intersected nickel-copper mineralization in similar, but much smaller, mafic intrusions at approximately 500-600 metres below surface. The Company and Below plan to drill-test the LM intrusion at similar depths. Bore hole EM techniques may also be used to guide subsequent drilling.

A ground magnetic survey completed in January 2020 has confirmed the position of the ~200-metre-diameter, pipe-shaped LM intrusion. The Company and Below plan to complete two 650-metre sub-vertical core holes to test the intrusion for nickel-copper-platinum-palladium mineralization near the unconformity between Paleoproterozoic Baraga group sediments and older Archean gneiss. A map showing the LM property's ground magnetic response and a simplified cross section showing the drill target are posted on the Company's website www.bitterrootresources.com. The timing of drilling is subject to change due to the evolving COVID-19 situation.

The LM lease is not subject to the joint venture with Altius Minerals Corporation and described below. Under the terms of the Company's lease on the LM Property, the 2019 advance royalty payment was US\$5,600 (paid). The lessors have granted the Company the option to reduce the current 3% net smelter returns royalty (NSR) to a 2% NSR by paying US\$1,000,000 prior to December 31, 2064.

Jeffrey Rowe, P.Geo is the Qualified Person responsible for the technical content of this disclosure.

Michigan Nickel-Copper-PGM Lands, Upper Peninsula of Michigan

The Bitterroot/Altius joint venture was formed to explore for conduit-hosted, high-grade magmatic nickel-copper-PGM deposits similar to Lundin Mining's Eagle and Eagle East deposits. Altius acquired a 50.1% interest in the joint venture by incurring \$600,000 of exploration expenditures. This was achieved mainly through funding a 4,590 line-kilometre VTEM Plus airborne magnetic and electromagnetic survey. Altius and Bitterroot's analysis of the VTEM Plus data and subsequent Maxwell modelling has resulted in the selection of nine (9) high-priority targets for follow-up. Prospecting around the VTEM Plus targets has identified a previously undocumented ultramafic high-level intrusion or flow, which enhances the exploration potential of several adjacent, overburden-covered, high-priority VTEM Plus and aeromagnetic targets. The Bitterroot/Altius joint venture is seeking sources of joint venture funding to drill-test these targets.

Altius has the right to acquire an additional 19.9% of the Properties by completing \$2.5 million in exploration spending by September 29, 2021, plus the right to acquire an additional 10% of the Properties by completing exploration spending of a further \$5 million, or completing an NI 43-101 compliant pre-feasibility study on a mineral resource on the Properties, both before September 29, 2025. Altius is currently the Operator of the idled exploration programs. Altius retains a 2% net smelter returns (NSR) royalty on the Voyageur Lands (covering approximately 250 square miles of mineral rights) and the right to repurchase a 1% NSR held by a third party on the Copper Range Lands (covering approximately 100 square miles of mineral rights). The Company and Altius also hold State of Michigan metallic minerals leases covering an additional 3,050.87 contiguous acres.

In January 2019, Altius and Trans Superior completed the sale of 30 acres of mineral rights for gross proceeds of US\$125,000.

Dr. Jules J. Lajoie, P.Eng is the Qualified Person responsible for the technical content of this disclosure.

Castle West Gold/Silver Property, Nevada

The Company has entered into an option agreement with Ely Gold Royalties Inc. (ELY, TSX-V) and its subsidiary Nevada Select Royalty Inc. ("Ely Gold"), to purchase a 100% interest in the Castle West gold/silver property in the Walker Lane mineralized trend in western Nevada's Gilbert mining district. The road-accessible Castle West property is located on BLM-managed lands approximately 45 km west of Tonopah, NV. Bitterroot's geological consultants have initiated mapping and sampling of bonanza-style and bulk-tonnage gold-silver mineralized zones to identify potential drill targets. Additional field work is planned in the next few months, subject to the evolving COVID-19 situation.

The Castle West property hosts a large epithermal system, as evidenced by extensive quartz-sericite alteration and the presence of high-grade gold-silver mineralized veins. Surface rock chip samples taken across one to two-metre wide veins returned grades of 15-57 grams gold/tonne, 99-370 grams silver/tonne and 60-370 ppm mercury, with high levels of arsenic, molybdenum and antimony, which are characteristic features of epithermal systems. Gold/silver mineralization occurs in strongly altered Tertiary-aged felsic tuffs and andesitic flows. Previous drilling, mapping and surface sampling by Kinross Gold USA Inc. identified bulk tonnage gold-bearing targets and potential for bonanza-style high-grade gold mineralized veins and feeder structures. Ely Gold has provided Bitterroot with a database of geologic and geochemical data collected by previous operators.

The Castle West property is comprised of 34 unpatented mining claims and three leased unpatented claims, covering approximately 282 hectares. Under the terms of the agreement, Bitterroot has paid Nevada Select US\$1,000 and must pay US\$15,000 on the first anniversary of Closing. On each of the second, third and fourth anniversaries of Closing, Bitterroot must pay US\$40,000. A final payment of US\$105,000 must be made on the fifth anniversary for the conveyance of the 100% interest in the Property. Bitterroot will make minimum advance royalty payments of US\$5,000 on the first and second anniversaries of exercising the option and US\$10,000 on subsequent anniversaries. Nevada Select will retain a 3% NSR on the 34 claims it staked. Bitterroot has the right to buy down 1% of this NSR for a payment of US\$1,000,000. Upon Option Exercise, Bitterroot will be assigned an underlying three-claim lease and Nevada Select will retain a 1% NSR on these claims.

Jeffrey Rowe, P. Geo is the Qualified Person responsible for the technical content of this disclosure.

North Brenda Property, British Columbia

In October and November 2019, Bitterroot drilled 784 metres in three holes to test three coincident and zoned zinc, silver and arsenic-in-soil anomalies within a glacial till-covered area measuring approximately 2.5 km x 1.5 km. The drilling intersected several narrow (1-2 metre) intervals hosting up to 50 grams silver/tonne within larger areas of elevated zinc. No additional work is planned at the 100%-owned North Brenda property. During the period ended January 31, 2020, the Company wrote down exploration and evaluation costs of \$94,923 (October 31, 2019 - \$81,199) related to the property.

Jeffrey Rowe, P. Geo is the Qualified Person responsible for the technical content of this disclosure.

SUMMARY OF FINANCIAL RESULTS

Revenues

Due to the Company's status as an exploration and development stage mineral resource company and a lack of commercial production from its properties, the Company currently does not have any revenues from its operations.

Expenses

During the three months ended January 31, 2020, the Company recorded income of \$259,946 (\$0.01 income per share) compared to a loss of \$64,762 (\$0.00 loss per share) for the period ended January 31, 2019.

Expenses details during the three months ended January 31, 2020 are as follows:

- a) Foreign exchange loss of \$125 (2019 - \$1,376) – the decrease is due to lesser payables in a foreign currency.
- b) Management fees of \$7,500 (2019 - \$30,000) – the decrease is due to a reduction of management fees rates.

- c) Professional fees of \$17,423 (2019 – 1,912) – the increase is due to retaining additional legal services related to equity financings and the conversion of debt to common shares during the period.

During the period ended January 31, 2020, the Company wrote down \$94,923 (2019 - \$Nil) of exploration and evaluation assets and recorded a settlement of flow through share premium liability of \$31,875 (2019 - \$Nil).

During the period ended January 31, 2020, the Company settled outstanding debt of \$475,083 to arm's-length lenders and non-arm's length service providers and recorded a gain of \$370,641 on the settlement.

SUMMARY OF QUARTERLY RESULTS

The following tables set forth a comparison of revenues, losses and assets for the previous eight quarters:

	January 31, 2020	October 31, 2019	July 31, 2019	April 30, 2019
Revenue	\$ nil	\$ nil	\$ nil	\$ nil
Income (loss) for the period	259,946	(160,575)	(178,528)	(94,097)
Exploration and Evaluation assets	4,172,634	4,171,592	4,210,857	4,268,832
Total assets	4,257,817	4,191,871	4,297,955	4,432,216
Income (loss) per share	0.01	(0.01)	(0.00)	(0.00)

	January 31, 2019	October 31, 2018	July 31, 2018	April 30, 2018
Revenue	\$ nil	\$ nil	\$ nil	\$ nil
Loss for the period	(64,762)	(1,865,095)	(511,300)	(157,301)
Exploration and Evaluation assets	4,225,177	4,299,888	5,852,706	6,046,024
Total assets	4,333,894	4,399,545	6,145,187	6,636,243
Loss per share	(0.00)	(0.00)	(0.01)	(0.00)

During the quarter ended January 31, 2020, the Company wrote down exploration and evaluation assets of \$94,923 and recorded a gain of \$370,641 on settlement of debt.

During the quarter ended October 31, 2019, the Company wrote down exploration and evaluation assets of \$82,390.

During the quarter ended July 31, 2019, the Company wrote down exploration and evaluation assets of \$124,173.

During the quarter ended October 31, 2018, the Company wrote down exploration and evaluation assets of \$1,798,350.

During the quarter ended July 31, 2018, the Company wrote down exploration and evaluation assets of \$448,152.

During the quarter ended April 30, 2018, the Company recorded share-based payments of \$75,276.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

As at January 31, 2020, the Company had cash of \$25,659 and a working capital deficiency of \$18,563. The accompanying condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. The continuation of the Company is dependent upon the continuing financial support of creditors and stockholders, refinancing debts payable, obtaining additional long-term debt or equity financing, as well as achieving and maintaining a profitable level of operations. The Company will require additional working capital to meet operating and exploration costs for the upcoming year.

In March 2020 the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company’s business or ability to raise funds.

In November 2019, the Company raised gross proceeds of \$85,000 from the issuance of 2,125,000 flow-through shares priced at \$0.04 per share and \$35,625 from issuance of 1,425,000 common shares priced at \$0.025 per share. The Company paid a finders’ fee of \$560 and issued 14,000 common share purchase warrants of the Company at an exercise price of \$0.05 for 24 months.

Subsequent to the period ended January 31, 2020, the Company issued 3,481,365 shares to settle \$475,083 of outstanding debt.

RELATED PARTY TRANSACTIONS

Key management personnel are the persons responsible for the planning, directing and controlling the activities of the Company and include both executive and non-executive directors, and entities controlled by such persons. The Company considers all Directors and Officers of the Company to be key management personnel.

The following is a summary of related party transactions and balances during the period ended January 31, 2020, not disclosed elsewhere in the condensed consolidated interim financial statements:

- (a) Management fees of \$7,500 (2019 - \$30,000) were incurred from a company controlled by a director of the Company.

During the year ended October 31, 2018, the Company received loan proceeds \$45,000 from a non-arm’s length party. During the period ended January 31, 2020 recorded total interest payable

of \$6,480 (October 31, 2019 - \$5,578. During the period ended January 31, 2020 the loan and accrued interest was settled in full through the commitment to issue 1,029,600 shares at the price of \$0.05 per share (issued subsequently).

As at January 31, 2020, the Company owed \$nil (October 31, 2019 - \$220,500) in current liabilities and \$nil (October 31, 2019 - \$178,326) in non-current liabilities to a company controlled by a director for management fees and reimbursable expenses. During the period ended January 31, 2020, the Company settled the debt in full through the commitment to issue 2,111,760 common shares (issued subsequently).

RISKS AND UNCERTAINTIES

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

- Operational risks include finding and developing reserves economically, marketing production and services, product deliverability uncertainties, changing government law and regulation, hiring and retaining skilled employees and contractors and conducting operations in a cost effective and safe manner. The Company continuously monitors and responds to changes in these factors and adheres to all regulations governing its operations. Insurance may be maintained at levels consistent with prudent industry practices to minimize risks, but the Company is not fully insured against all risks, nor are all such risks insurable.
- Financial risks include commodity prices, interest rates and the Canadian dollar and the United States dollar, which are beyond the Company's control.
- Regulatory risks include the possible delay in getting regulatory approval to the transactions that the Board of Directors believe to be in the best interest of the Company, increased fees for filing, the introduction of ever more complex reporting requirements, the escalating cost of which the Company must meet in order to maintain its exchange listing and the resulting potential for accounting errors which may lead to fines, interest charges and cash calls.

The Company's ability to meet its ongoing financial obligations will be determined by management's success in acquiring exploration and evaluation assets, obtaining equity financing, negotiating joint venture arrangements and facilitating the exercise of outstanding share purchase warrants and options. There can be no assurance that the Company will be able to continue to raise funds, in which case it may be unable to meet its obligations. Should the Company be unable to realize its assets and discharge its liabilities in the normal course of business, the realizable value of its assets may be materially less than the amounts recorded on the statements of financial position. Details of funding commitments on the Company's exploration and evaluation assets are disclosed in Note 6 of the condensed consolidated interim financial statements for the period ended January 31, 2020.

DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

A breakdown of the Company's general and administrative expenses is disclosed in the condensed consolidated interim financial statements for the period ended January 31, 2020 to which this MD&A relates. A breakdown of the exploration and evaluation assets of the Company is disclosed in Note 6 of the condensed consolidated interim financial statements for the period ended January 31, 2020 to which this MD&A relates.

OUTSTANDING SHARES, STOCK OPTIONS AND WARRANTS

At the date of this report, the Company has the following outstanding:

- 45,928,414 common shares
- Stock options:

Number of Options	Exercise Price (\$)	Expiry Date
1,200,000	0.10	January 21, 2021
200,000	0.10	January 16, 2022
800,000	0.32	April 20, 2022
1,000,000	0.08	March 1, 2023
<hr/>		
3,200,000		

- Warrants:

Number of Warrants	Exercise Price (\$)	Expiry Date
970,600	0.11	May 14, 2021
200,000	0.11	June 19, 2021
14,000	0.05	November 14, 2021
<hr/>		
1,184,600		

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

PROPOSED TRANSACTIONS

The Company continues to evaluate property acquisitions and dispositions, actively target sources of additional financing through alliances with financial, exploration and mining entities and to explore and develop its exploration and evaluation assets. Should it enter into agreements over new properties, it may be required to make cash payments and complete work expenditure commitments.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual reports could differ from management's estimates.

CONTINGENCIES

There are no contingent liabilities.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

Changes in Internal Control over Financial Reporting (“ICFR”)

In connection with National Instrument 52-109, Certification of Disclosure in Issuer’s Annual and Interim Filings (“NI 52-109”) adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to financial information contained in the unaudited condensed consolidated interim financial statements and the audited consolidated financial statements and respective accompanying Management’s Discussion & Analysis. The Venture Issue Basic Certification 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.

MANAGEMENT’S RESPONSIBILITY FOR FINANCIAL STATEMENTS

Information provided in this report, including the financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying condensed consolidated interim financial statements. Management maintains a system of internal controls to provide reasonable assurances that the Company’s assets are safeguarded and to facilitate the preparation of relevant and timely information.

OTHER MD&A REQUIREMENTS

Additional disclosure of the Company’s technical reports, material change reports, news releases and other information can be obtained on SEDAR at www.sedar.com.

RECENT ACCOUNTING POLICIES

Please refer to the January 31, 2020 condensed consolidated interim financial statements on www.sedar.com.

FINANCIAL INSTRUMENTS

Please refer to the January 31, 2020 condensed consolidated interim financial statements on www.sedar.com.