AGUILA AMERICAN GOLD LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE NINE MONTHS ENDED JANUARY 31, 2020

The following management discussion and analysis and financial review, prepared as at March 18, 2020, should be read in conjunction with the unaudited condensed interim financial statements and related notes for the nine months ended January 31, 2020 of Aguila American Gold Limited ("Aguila" or the "Company"). The following disclosure and associated financial statements are presented in accordance with International Financial Reporting Standards ("IFRS"). Except as otherwise disclosed, all dollar figures included therein and in the following management discussion and analysis ("MD&A") are quoted in Canadian dollars.

Forward-Looking Statements

This MD&A contains certain statements that may constitute "forward-looking statements". Forward-looking statements include but are not limited to, statements regarding future anticipated exploration programs and the timing thereof, and business and financing plans. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or which by their nature refer to future events. The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, and that actual results may differ materially from those in forward looking statements as a result of various factors.

All of the Company's public disclosure filings, including its most recent management information circular, material change reports, press releases and other information, may be accessed via www.sedar.com and readers are urged to review these materials.

Company Overview

The Company is a junior mineral exploration company which was previously engaged in exploration of the Angostura Property located in Peru. Effective April 30, 2017 the Company determined to cease operations in Peru. As a result, during fiscal 2017 the Company recorded an impairment expense of $1,318,408 for the remaining carrying value of the Angostura Property. In July 2017 the Company completed the sale of its wholly-owned Peruvian subsidiaries, Aguila American Resources Limited S.A. and Kori Trader S.A.C., for $40,913. As at the date of this MD&A, the Company has no mineral property interests and is actively reviewing prospective mineral property opportunities. The Company will need to raise additional capital from the sale of common shares or other equity or debt instruments to fund existing levels of operations and administration, retire its indebtedness as they come due, and conduct due diligence on identifying and evaluating potential mineral interest acquisitions or other business opportunities.

The Company is a reporting issuer in British Columbia and Alberta and trades on the TSXV under the symbol "AGL", the OTCBB under the symbol "AGLAF" and the Frankfurt Stock Exchange under the symbol "AGP".

Selected Financial Data

The following selected financial information is derived from the unaudited condensed interim financial statements of the Company.

	Fiscal 2020			**Fiscal 2019**				**Fiscal 2018**
	Jan. 31 2020 $	**Oct. 31 2019 $**	**Jul. 31 2019 $**	**Apr. 30 2019 $**	**Jan. 31 2019 $**	**Oct. 31 2018 $**	**Jul. 31 2018 $**	**Apr. 30 2018 $**
Operations:								
Revenues	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Expenses	(17,581)	(29,339)	(56,982)	(19,827)	(42,725)	(27,329)	(16,652)	(17,569)
Other items	(310)	90	42	56	(1,130)	219,023	7,066	7,449
Net loss	(17,891)	(29,249)	(56,940)	(19,771)	(43,855)	191,694	(9,586)	(10,120)

	Fiscal 2020			Fiscal 2019				Fiscal 2018
	Jan. 31 2020 $	**Oct. 31 2019 $**	**Jul. 31 2019 $**	**Apr. 30 2019 $**	**Jan. 31 2019 $**	**Oct. 31 2018 $**	**Jul. 31 2018 $**	**Apr. 30 2018 $**
Basic and diluted income (loss) per share	(0.01)	(0.01)	(0.02)	(0.01)	(0.02)	0.08	(0.00)	(0.00)
Dividends per share	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Balance Sheet:								
Working capital (deficiency)	(308,467)	(304,792)	(275,543)	(342,643)	(346,872)	(349,508)	(541,202)	(531,616)
Total assets	43,345	23,190	36,299	27,993	17,635	15,932	21,227	25,112
Total long-term liabilities	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Results of Operations

Corporate activities have been kept at minimal levels while the Company reviews business opportunities and completes its recapitalization.

Three Months Ended January 31, 2020 Compared to Three Months Ended October 31, 2019

During the three months ended January 31, 2020 ("Q3") the Company recognized a net loss of $17,891, compared to a net loss of $29,249 for the three months ended October 31, 2019 ("Q2"), a decrease in loss of $11,358, primarily due to audit and regulatory fees for the year-end audit incurred in Q2. During Q3 the Company also accrued $416 interest expense on advances.

Nine Months Ended January 31, 2020 Compared to Nine Months Ended January 31, 2019

During the nine months ended January 31, 2020 (the "2020 period") the Company reported a net loss of $104,080 compared to net income of $138,253 for the nine months ended January 31, 2019 (the "2019 period"), an increase in loss of $242,333 primarily due to the Company recognizing a $224,800 recovery of amounts previously recorded during the 2019 period. In addition, during the 2020 period the Company recognized share-based compensation of $38,220, on the granting of 294,000 share options compared to $18,291 share-based compensation on the granting of 120,000 share options during the 2019 period, and $416 interest expense on advances.

Excluding share-based compensation, expenses decreased slightly by $2,733, from $68,415 during the 2019 period to $65,682 during the 2020 period.

Financings

No financing were conducted during the 2020 or 2019 period. During the 2020 period the Company issued 494,000 (2019 - 120,000) common shares of the Company on the exercise of share options and warrants for proceeds of $99,620 (2019 - $28,200).

The Company has previously been provided advances from private companies controlled or affiliated with Nick DeMare. These advances were made to provide working capital to the Company. Effective January 20, 2020 the advances were consolidated with one entity and the Company agreed to commence accruing interest at the rate of 12% per annum. The advances are without specific terms of repayment.

Financial Condition / Capital Resources

As at January 31, 2020, had a working capital deficiency of $308,883 and an accumulated deficit of $27,841,632. The Company has no significant assets and is dependent on ongoing advances from its officers and shareholders. Further funds will be required to fund existing levels of operations and administration, retire its indebtedness as they come due, and conduct due diligence on identifying and evaluating potential mineral interest acquisitions or other business opportunities. The Company will need to raise additional capital from the sale of common shares or other equity or debt instruments. While the Company has been successful in securing financings in the past, there can be no assurance that it will be able to do so in the future.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Proposed Transactions

The Company has no proposed transactions.

Critical Accounting Estimates

The preparation of financial statements in conformity 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 expenditures during the reporting period. Examples of significant estimates made by management include the determination of mineralized reserves, plant and equipment lives, estimating the fair values of financial instruments, impairment of long-lived assets, reclamation and rehabilitation provisions, valuation allowances for future income tax assets and assumptions used for share-based compensation. Actual results may differ from those estimates.

A detailed summary of all the Company's critical accounting estimates and sources of estimation is included in Note 3 to the April 30, 2019 audited annual financial statements.

Changes in Accounting Policies

The Company adopted all of the requirements of IFRS 16 - *Leases* ("IFRS 16"), effective May 1, 2019.

IFRS 16 specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17.

There was no impact on the Company's condensed interim financial statements upon the adoption of this new standard.

A detailed summary of all the Company's other significant accounting policies and accounting standards and interpretations issued but not yet effective, is included in Note 3 to the April 30, 2019 audited annual financial statements.

Transactions with Related Parties

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. Certain of these entities transacted with the Company during the reporting period.

(a) *Transactions with Key Management Personnel*

During the 2020 and 2019 periods the following amounts were incurred with respect to the Company's sole executive officer, Mr. Nick DeMare, who holds the position of interim Chief Executive Officer and Chief Financial Officer:

	2020 **$**	**2019** **$**
Mr. DeMare - professional fees	27,000	27,000
Mr. DeMare - share-based compensation	14,820	18,291
	41,820	45,291

As at January 31, 2020 $163,800 (April 30, 2019 - $160,650) was outstanding for past fees.

(b) *Transactions with Other Related Parties*

(i) During the 2020 and 2019 periods the following professional fees were incurred with respect to non-executive directors of the Company:

	2020 **$**	**2019** **$**
Mr. Way - professional fees	4,500	4,500
Mr. Berka - professional fees	4,500	4,500
Mr. Way - share-based compensation	7,800	-
Mr. Berka - share-based compensation	7,800	-
	24,600	9,000

As at January 31, 2020 $72,482 (April 30, 2019 - $91,082) was outstanding for past fees.

(ii) During the 2020 period the Company incurred $13,200 (2019 - $13,400) for accounting and administration services provided by Chase Management Ltd. ("Chase"), a private company owned by Mr. DeMare. As at January 31, 2020 $nil (April 30, 2019 - $4,924) remained unpaid.

During the 2020 period the Company also recorded $7,800 share-based compensation for share options granted to Chase.

(iii) The Company has received ongoing advances from private corporations controlled or affiliated with Mr. DeMare. Effective January 20, 2020 the advances were consolidated with one entity and the Company agreed to commence accruing interest at the rate of 12% per annum. During the 2020 period the Company recorded $416 interest expense. As at January 31, 2020, $115,416 (April 30, 2019 - $113,500) was outstanding.

Outstanding Share Data

The Company's authorized share capital is unlimited common shares without par value. As at March 18, 2020, there were 3,238,985 issued and outstanding common shares and 342,500 warrants outstanding with an exercise price of $0.50 per share.