This document provides management's discussion and analysis (MD&A) for our financial condition as at January 31, 2019, and results of operations for the quarter ended January 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, 2018. ***This MD&A has been prepared as of March 26, 2019 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's 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 Bridgewater, Nova Scotia. The Company's is focused on exploration for precious metals and rare earth elements.

In 2015, the Company focused business activities on developing near term properties to maximize benefit to shareholders. The Company was successful in the prospective property called Pino de Plata. 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 at January 31, 2019, cash reserves, totaled approximately $44,355. The Company continues to pursue its strategy to cash flow ready or near cash flow ready properties.

Summary of Quarterly Results

Results of operations can vary significantly by quarter, as a result of a number of factors. The Company's level of activity and expenditures during a specific quarter are influenced by the level of working capital and the availability of external financing.

	January 31, 2019	**October 31, 2018**	**July 31, 2018**	**April 30, 2018**
	$	$	$	$
Net loss	**84,660**	216,474	138,343	185,153
Net loss per share -basic and diluted	**0.00**	0.01	0.00	0.00
	January 31, 2018	**October 31, 2017**	**July 31, 2017**	**April 30, 2017**
	$	$	$	$
Net loss	**159,331**	279,522	185,304	298,719
Net loss per share	**0.00**	0.02	0.00	0.01

-basic and diluted				

For the three months ended January 31, 2019, the Company had a net loss of $84,660 (January 31, 2018 - $159,331) and a loss per share of $0.00 (January 31, 2018 - $0.00).

- Exploration and evaluation expenditures decreased as a result of a lack of funds to complete exploration activities.
- Accretion and loan interest expense decreased as the loan was settled during the period.
- Corporate relation costs and consulting fees decreased as the Company focused on conserving cash for exploration.

Expenditures on Mineral Properties
During the quarter ended January 31, 2019, and the quarters ended October 31, 2018, July 31, 2018, and April 30, 2018 and the comparative periods, the Company incurred the following expenditures on exploration:

	January 31, 2019	October 31, 2018	July 31, 2018	April 30, 2018
	$	$	$	$
Kay Mine	-	-	-	1,021
Pino de Plata	-	-	3,280	10,584

	January 31, 2018	October 31, 2017	July 31, 2017	April 30, 2017
	$	$	$	$
Kay Mine	**9,019**	37,649	(18,544)	102,298
Pino de Plata	**6,014**	-	-	23,853

PROJECTS – SILVER

Pino de Plata

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 (CDN$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.

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.

The Kay Mine Project

On July 19, 2017, the Company closed a purchase agreement with Cedar Forest LLC for 100 per cent, free of any royalty, of the Kay mine parcel of patented claims near Black Canyon City, Arizona. The Company issued 8,649,147 common shares based on the quoted market value of the common shares on that date, and paid the balance of the purchase price (US$500,000) in cash. To finance a portion of the transaction the Company secured a loan.

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 US$450,000 debt provided to the Company to satisfy its original purchase of the patented claims at the project, along with US$31,500 accrued interest, and has received 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. As a result, $350,000 has been recorded as a receivable on the Company’s balance sheet.

MANAGEMENT

Karl Boltz – President/CEO, Director

He is a natural resources consultant with 15+ years working with public and private companies in Mexico- project acquisition, funding, market development and project management. Mr. Boltz is fluent in Spanish and was the Co-founding President, CEO and Director of EXMIN Resources Inc. (now Sierra Metals Inc.).

Gordon Barnhill - VP Corporate Affairs, Director, CFO

Prior to joining Silver Spruce Resources, Mr. Barnhill was the President of a company providing management consulting, capital research, business evaluations, deal structuring and investment strategies. From 1973 to 1997 Mr. Barnhill had an extensive career in banking with Canada's largest banking institution as a senior commercial lending officer.

LIQUIDITY, FINANCINGS AND CAPITAL RESOURCES

Operating Activities

The Company had a net cash outflow from operating activities of $110,081 for the three months ended January 31, 2019 (January 31, 2018 - $79,322).

Financing Activities

The Company had a net cash inflow from financing activities of $110,846 for the three months ended January 31, 2019 (January 31, 2018 - $42,800).

Investing Activities

The Company had a cash inflow of $35,458 from investing activities for the three months ended January 31, 2019 (January 31, 2018 - $nil).

Liquidity

The Company had cash and cash equivalents of $44,355 as at January 31, 2019 (January 31, 2018 - $8,132). The change in non-cash operating working capital as at January 31, 2019 was a cash inflow of $1,922 (January 31, 2018 - $70,702).

Capital Resources

The Company's authorized capital consists of an unlimited number of common and preference shares without par value. At January 31, 2019, the Company had 68,561,992 issued and outstanding common shares (January 31, 2018 – 62,807,992).

RELATED PARTY TRANSACTIONS

Included in accounts payable and accrued liabilities as at January 31, 2019 is $241,255 (October 31, 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 January 31, 2019, the total loans payable to a former director is $82,160 (October 31, 2018 - $81,723). The loans are unsecured and bear interest at rates from 0% - 10% per year. During the period ended January 31, 2019, the loans incurred interest expense of $438 which is outstanding at period end and is due on demand.

During the period ended January 31, 2019, key management personnel compensation consisted of services provided by companies owned by directors of $nil (2018 - $34,625) which are classified as consulting fees on the consolidated statement of operations.

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.

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, deposits, 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. The fair value of investments is based on quoted market prices.

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.

CURRENT MARKET CONDITIONS

The fundamentals for gold and silver have improved and are expected to remain strong for the rest of 2018. 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 Kay Mine 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. The Company has mobilized field geologists to refine the proposed drill locations and orientations in preparation for the drill program at Pino de Plata project in western Chihuahua state, Mexico. The company has contracted Prospeccion y Desarrollo Minero del Norte SA de CV (ProDeMin) to complete detailed geologic mapping, sampling and reconnaissance at the project under the direction and supervision of Dr. Craig Gibson. As at January 31, 2019, the Company's cash is $44,355. The Company does not have sufficient funds to meet its current overhead requirements. 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. In the event that the Company is unable to secure further financing it may not be able to complete the development of its exploration projects. The Company plans to complete an offering of new equity securities in the near future to fund exploration activities.

GOING CONCERN

The Company's ability to continue as a going concern for the rest of 2018 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.

SUBSEQUENT EVENTS

On February 26, 2019, the Company closed a non-brokered private placement raising gross proceeds of $434,221 (the "Offering"). The Offering consisted of 17,368,841 units offered at $0.025 cents consisting of one common share in the capital of the Company and one share purchase warrant. Each full warrant entitles the holder to purchase an additional common share of the Company for $0.05 at any time prior to the expiry date of February 26, 2022.

Prior to the period end, a sum of $112,846 (net of issuance costs) was advanced to the Company as part of the aforementioned private placement.

CHANGES IN ACCOUNTING POLICIES

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods beginning on or after November 1, 2018 or later periods. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

IFRS 9 "Financial Instruments" was issued in final form in July 2014 by the IASB and will replace IAS 39 "Financial Instruments: Recognition and Measurement". IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 also includes requirements relating to a new hedge accounting model, which represents a substantial overhaul of hedge accounting that will allow entities to better reflect their risk management activities in the financial statements. The most significant improvements apply to those that hedge non-financial risk, and so these improvements are expected to be of particular interest to non-financial institutions. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, however early adoption is permitted.

IFRS 16 Leases was issued in January 2016 and replaces IAS 17 Leases. Under IAS 17, lessees were required to make a distinction between a finance lease and an operating lease. If the lease was classified as a finance lease, a lease liability was included on the statement of financial position. IFRS 16 now requires lessees to recognize a right of use asset and lease liability reflecting future lease payments for virtually all lease contracts. The right of use asset is treated similarly to other nonfinancial assets and depreciated accordingly. The lease liability accrues interest. The IASB has included an exemption for certain short term leases and leases of low value assets; however, this exemption can only be applied by lessees. Under IFRS 16, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the identified asset's use and obtain substantially all the economic benefits from that use. IFRS 16 is effective for annual periods beginning on or after January 1, 2019 with early adoption permitted if IFRS 15, Revenue from Contracts with Customers, is also applied.

During 2018, the Company adopted a number of new IFRS standards, interpretations, amendments and improvements of existing standards, including IAS 1. These new standards and changes did not have any material impact on the Company's financial statements.