ATEX

Resources Inc.

(Formerly – Colombia Crest Gold Corp.)

Management's Discussion & Analysis

For the Nine Months Ended June 30, 2019

The Management's Discussion and Analysis ("MD&A), prepared as of August 28, 2019, reviews and summarizes the activities of ATEX Resources Inc. (the "Company") and compare the financial results for the nine months ended June 30, 2019 with those of the nine months ended June 30, 2018. This information is intended to supplement the unaudited condensed interim financial statements for the nine months ended March 30, 2019 and the related notes thereto, which have been prepared by management in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. All dollar amounts included in this MD&A are stated in Canadian dollars unless otherwise indicated.

The Company's common shares trade on the TSX Venture Exchange ("TSXV") under the symbol "ATX" and its most recent filings are available on the System for Electronic Document Analysis and Retrieval ("SEDAR") and can be accessed through the Internet at www.sedar.com.

The "Qualified Person" under the guidelines of National Instrument 43-101 of the Canadian Securities Administrators ("NI 43-101") for the Company's exploration projects was John Bolaños. Mr. Bolaños is a Professional Geologist (B.Sc.Eng) from Ecuador and earned a Master's degree in Mining Geology (M.Sc.) from Camborne School of Mines. He is a registered member of the Society of Mining, Metallurgy and Exploration of the USA (SME), a member of the Society of Economic Geologists (SEG). Mr. Bolaños has 20 years of general management, exploration management and geological experience with companies including Andean Gold Ltd., Ascendant Exploration S.A, Hampton Court Resources Company and Grant Mining S.A Companies.

Forward-Looking Statements

Except for the historical statements contained herein, this MD&A presents "forward-looking statements" within the meaning of Canadian securities legislation that involve inherent risks and uncertainties. Forward-looking statements include, but are not limited to, statements with respect to the future price of gold and other minerals and metals, the estimation of mineral reserves and resources, the realization of mineral reserve estimates, the capital expenditures, costs and timing of the development of new deposits, success of exploration activities, permitting time lines, currency exchange rate fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "proposed" "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved".

Forward-looking statements 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 or implied by such forward-looking statements, including but not limited to: risks related to international operations, risks related to the integration of acquisitions; actual results of current or future exploration activities; actual results of current or future reclamation activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of gold and other minerals and metals; possible variations in ore reserves, resources, grade or recovery rates; failure of equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry. Although the Company's management and officers believe that the expectations reflected in such forward-looking statements are based upon reasonable assumptions and have attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements that are incorporated by reference herein, except in accordance with applicable securities laws.

Overview

Corporate:

On February 8, 2019, the Company effected a name change from Colombia Crest Gold Corp. to ATEX Resources Inc.

At the 2018 shareholders' meeting, two additional Directors were elected resulting in a six member board. These new Directors have extensive mineral exploration experience that will assist the Company to achieve its mineral exploration goals. The Company has also established an advisory committee consisting of seasoned experience personnel in the exploration/mining and financial fields.

On February 8, 2019, the Company announced the completion of a three for one (3:1) consolidation of its outstanding common shares. In connection with the share consolidation, a name change from Colombia Crest Gold Corp. to ATEX Resources Inc. was also effected with a new trading symbol of "ATX" on the TSXV.

In April 2019, the Company closed a non-brokered private placement by issuing 10,000,000 units at $0.15 per unit for gross proceeds of $1,500,000.

Operations:

In 2010, the Company executed two agreements to earn up to a 75% interest in the mineral titles of the Fredonia and Venecia properties, both located in the department of Antioquia, near the City of Medellin, in Colombia.

The Company terminated both of its Colombian options in 2013. The Company retains an earned 50% interest in the Fredonia property. Currently, the Company has no intention to incur any further exploration or concession expenditures and any future expenditure incurred by the optionor and/or other third parties may have the effect of diluting the Company's earned interest. In 2013, when management provided notice to the optionor of the Company's intention to cease exploring, the Fredonia property consisted of three concessions totaling 4,563 hectares. The optionor has subsequently dropped two of the concessions and the remaining one covers 1,967 hectares.

In July, 2019, management entered into agreements to acquire the Alicia, Roma and Condor properties, referred to collectively as the Apolo Concessions, located within the northern extension of the Maricunga Mineral Belt, Region III, Chile. The three properties cover a total area of 14,900 hectares. The Alicia and Roma properties are located 30 kilometres southeast of Gold Fields' Salares Norte high sulphidation, epithermal gold deposit which hosts mineral reserves of 21.1 million tonnes grading 5.1 grams per tonne gold and 57.9 grams per tonne silver for 3.5 million ounces of gold and 40 million ounces of silver. The Condor property is located 30 kilometres east of Salares Norte.

Under the terms of the agreements, ATEX will pay a total of US$7.6 million by December 31, 2022 to acquire a 100% ownership interest in the concessions with payments as follows: US$145,000 paid upon signing; US$85,000 by May 31, 2020; US$85,000 by May 31, 2021; US$85,000 by May 31, 2022; and, US$7.2 million by December 31, 2022. A total 2.0% net smelter royalty is payable to the vendors of the Apolo Concessions subject to a 0.75% buyback for US$6 million. Work commitments within the agreement require ATEX to complete 3,000 metres of drilling by May 31, 2020 with 13,000 metres to be completed by May 31, 2022.

Selected Annual Information

	Year Ended September 30, 2018 $	Year Ended September 30, 2017 $	Year Ended September 30, 2016 $
Net income (loss)	(97,400)	579,768	204,819
Basic earnings/(loss) per share	(0.01)	0.00	0.00
Total assets	221,445	408,617	429,271
Current liabilities	17,128	106,900	691,581
Working capital (deficit)	202,552	299,196	(265,911)
Dividends	Nil	Nil	Nil

The Company has not earned any revenues from its past projects.

The Company's accounting policy is to record its mineral properties at cost. Exploration and development expenditures are deferred until properties are brought into production, at which time they will be amortized on a unit of production basis. In the event that properties are sold, impaired or abandoned, the deferred cost will be written off. Considerable sums have been spent on the exploration of the Company's properties in the past. Significant write-offs in deferred exploration expenditures in Bolivia and Colombia prior to 2014 have resulted in substantial decreases in the Company's total assets.

During fiscal 2016 and 2017 net income and working capital was positively affected by the collection of sale proceeds related to the Company's assets in Bolivia.

During fiscal 2018, the Company incurred a loss of $97,400 as management continued curtailing overhead.

Results of Operations:

For the Three Months Ended March 31, 2019 and 2018:

For the three months ended June 30, 2019, the Company recorded a net loss of $422,013 as compared to a net loss of $30,199 for the three months ended June 30, 2018.

The main cause for the significant loss in 2019 was the recognition of $258,333 in stock-based compensation (2018: $nil). Other contributing factors for the higher loss in 2019 were higher management fees, consulting fees, office expenses, professional and regulatory fees due to increases in corporate and business activities.

For the Nine Months Ended June 30, 2019 and 2018:

For the nine months ended June 30, 2019, the Company recorded a net loss of $516,972 as compared to a net loss of $110,205 for the nine months ended June 30, 2018.

During the 2019 period, stock options granted to company personnel and consultants resulted in the recognition of $258,333 (2018: $nil) in stock-based compensation. Generally, expenses have increased significantly across the board in 2019 as management has been focused on reviving the Company's mineral exploration business after several years of relative inactivity.

Summary of Selected Highlights for the Last Eight Quarters

Description	Jun. 30, 2019 $	Mar. 31, 2019 $	Dec. 31, 2018 $	Sept. 30, 2018 $
Balance Sheet:				
Current assets	1,495,344	145,238	188,583	219,680
Current liabilities	77,303	35,880	25,869	17,128
Shareholders' Equity	1,445,678	109,358	164,346	204,317
Working capital	1,418,041	109,358	162,714	202,552
Operations:				
Total revenues	Nil	Nil	Nil	Nil
Net (loss)	(422,013)	(54,988)	(39,971)	12,805
Basic loss per share	(0.04)	(0.03)	(0.02)	(0.01)

Description	Jun. 30, 2018 $	Mar. 31, 2018 $	Dec. 31, 2017 $	Sept. 30, 2017 $
Balance Sheet:				
Current assets	276,851	299,221	342,566	406,096
Current liabilities	87,293	79,653	85,998	106,900
Shareholders' Equity	191,512	221,711	258,900	301,717
Working capital	189,558	219,568	256,568	299,196
Operations:				
Total revenues	Nil	Nil	Nil	Nil
Net income (loss)	(30,199)	(37,189)	(42,817)	(64,748)
Basic earnings per share	0.00	(0.01)	(0.01)	0.00

A loss was incurred during the three months ended June 30, 2019, as $258,333 in stock-based compensation was recorded. Other expenses also increased a as the Company is now much more active in corporate and exploration business matters after several years of relative inactivity.

Liquidity and Solvency

The Company has no operating revenues and does not anticipate any in the near term. Historically, the Company has raised funds through private placements, loans and the exercise of stock options and warrants.

As at June 30, 2019, the Company had $1,418,041 in working capital. In April of 2019, the Company completed a non-brokered private placement for gross proceeds of $1,500,000.

The new financing is sufficient to support the present level of overhead and also allows management to seek and evaluate potential mineral projects. However, further financing will be required to fund the Apolo project that management acquired in July, 2019.

The Company has incurred losses since inception and the Company's long-term survival depends on the ability of management to continue raising capital. While management has successfully raised the necessary capital to finance the Company's operations in the past, there is no assurance that it will continue to be able to do so in the future. If management is unsuccessful in raising further funds, the Company's survival as a going concern during and beyond fiscal 2019 may be in doubt.

Industry and Economic Factors

The Company's future performance is largely tied to the ability of management to secure new projects, the outcome of those programs and the overall health and stability of junior capital markets, particularly the TSXV. The precious metal financial markets upon which the Company has been reliant may continue to experience volatility, reflecting investor anxiety with regard to the strength and longevity of the global economy, global growth prospects, and their associated impact upon liquidity, security and return.

During the last several years, junior exploration companies worldwide have suffered through volatile markets. Accordingly, the Company has had difficulty raising equity financing for the purposes of mineral exploration. With continued market volatility and slower worldwide economic growth anticipated, the Company's strategy is to manage its treasury in a planned, deliberate and prudent manner while attempting to limit any future offering to a point in time where the associated capital markets have favourably stabilized. The Company believes this strategy will enable it to meet the near-term challenges presented by the capital markets while maintaining the momentum on key initiatives.

Recent Pronouncements Affecting Changes in Accounting Policies (Standards, Amendments and Interpretations Not Yet Effective):

Certain new accounting standards and interpretations have been published that are not mandatory for the December 31, 2018 reporting period. The Company has not early adopted the following new and revised standards, amendments and interpretations that have been issued but are not yet effective:

- IFRS16 Leases (effective January 1, 2019)

The Company anticipates that the application of the above new and revised standards, amendments and interpretations will have no material impact on its results and financial position.

Critical Accounting Estimates

The Company's significant accounting policies are summarized in Note 3 of its unaudited condensed interim financial statements for the period ended June 30, 2019. The preparation of the unaudited condensed interim financial statements in accordance with IFRS requires management to select accounting policies and make estimates and judgments that may have a significant impact on the financial statements.

The Company regularly reviews its judgements and estimates; however, actual amounts could differ and, accordingly, materially affect the results of operations.

Off-Balance Sheet Arrangements

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

Outstanding Share Capital

The following securities were outstanding as at August 28, 2019:

Securities	Number	Exercise Price	Expiry Date
Common shares issued	13,202,595	N/A	N/A
Common share purchase warrants	10,000,000	$0.20	April 29, 2024
Stock options	1,195,000	$0.25	May 8, 2024 – July 8, 2024
Fully diluted share capital	24,397,595	N/A	N/A

As at September 30, 2018 there were 9,608,854 common shares outstanding. On February 8, 2019, the Company completed a three for one (3:1) share consolidation and as at June 30, 2019, there were 13,202,595 common shares outstanding.

In April 2019, the Company closed a non-brokered private placement by issuing 10,000,000 units at a price of $0.15 per unit for gross proceeds of $1,500,000. Each unit consisted of one common share and one common share purchase warrant with each warrant exercisable to purchase one common share at $0.20.

In May, 2019, the Company granted 1,160,000 stock options with each stock option exercisable to purchase one common share at $0.25. A further 35,000 stock options were granted in July, 2019 with each stock option exercisable to purchase one common share at $0.30.

Related Party Transactions

As described in Note 5 to the unaudited condensed interim financial statements for the nine months ended June 30, 2019, key management personnel are persons responsible for the planning, directing and controlling the Company's activities. Transactions with the related parties are recorded at the exchange amount being the price agreed between the parties. The Company's key management personnel are the CEO, CFO and a director and their compensations are included in the following:

	For the Three Months Ended June 30,		For the Nine Months Ended June 30,	
	2019 $	2018 $	2019 $	2018 $
Management fees	27,710	9,335	42,429	24,730
Administrative fees	27,517	6,000	41,429	18,000
Accounting fees	4,650	-	4,650	-
Total	59,877	15,335	83,858	42,730

Related party liabilities included in trade and other payable are as follows:

	June 30, 2019	
Amounts due to management	2019 $	2018 $
Management fees	2,417	4,387
Administration fees	2,305	2,000
Accounting	4,661	-
Total	9,383	6,387

Amounts due to related parties are unsecured, non-interest bearing and have no specific terms of repayment.

In May 2019, 645,000 stock options were granted to directors and officers of the Company with each stock option exercisable to purchase one common share at $0.25 until May 8, 2024.

Subsequent Events

On July 8, 2019, the Company granted 35,000 stock options to a consultant with each stock option exercisable to purchase one common share at $0.30 until July 8, 2024.

Disclosure Controls and Procedures

Management has assessed the effectiveness of the Company's disclosure controls and procedures used for the financial statements and MD&A as at June 30, 2019. Although certain weaknesses such as lack of segregation of duties are inherent with small office operations, management has implemented certain controls such as frequent reviews and regular preparations of reconciliations of transactions and budgets to ensure absence of material irregularities. Management has concluded that the disclosure controls are effective in ensuring that all material information required to be filed has been made known to it in a timely manner. The required information was effectively recorded, processed, summarized and reported within the time period necessary to prepare the annual filings. The disclosure controls and procedures are designed to ensure effective information required to be disclosed pursuant to applicable securities laws are accumulated and communicated to management as appropriate to allow timely decisions regarding required disclosure.

Limitations of Controls and Procedures

It must be recognized that any implemented system of disclosure controls and procedures or internal controls over financial reporting can only provide reasonable and not absolute assurance that the objectives of the control system are met. While designing such control systems, resource constraints cannot be ignored and the benefits of controls must be considered relative to their costs. All control systems are subject to limitations and as such, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. Breakdowns within the system can occur due to simple human error or mistakes. Furthermore, controls can be circumvented by individual acts of some persons, by collusion of two or more people, or by unauthorized override of the control. The design of any systems of controls is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost effective control system, misstatements due to error or fraud may occur and not be detected.

Risk Factors

The Company is subject to the risks and challenges similar to other companies in a comparable stage. Other than the risks relating to reliance on financing previously discussed, the risks include, but are not limited to, limited operating history, speculative nature of mineral exploration and development activities, operating hazards and risks, mining risks and insurance, no mineral reserves, environmental and other regulatory requirements, competition, stage of development, fluctuations in commodity prices, conflicts of interest, reliance on key individuals, no key man insurance and enforcement of civil liabilities.

Limited Operating History - An investment in the Company should be considered highly speculative due to the nature of the Company's business. The Company has no history of earnings, it has not paid any dividends and it is unlikely to enjoy earnings or be paying dividends in the immediate or foreseeable future.

Speculative Nature of Mineral Exploration and Development Activities - Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but from finding mineral deposits which, though present, are insufficient in quantity and quality to return a profit from production.

No Mineral Reserves or Resources - Mineral reserves and resources are estimates and no assurance can be given that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized. Reserve estimates for properties that have not yet commenced production may require revision based on actual production experience. Market price fluctuations of metals, as well as increased production costs or reduced recovery rates may render mineral reserves containing relatively lower grades of mineralization uneconomic and may ultimately result in a restatement of reserves.

Operating Hazards and Risks - Mineral exploration involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. The Company's past operations and future operations will be subject to all the hazards and risks normally incidental to exploration, development and production of metals, such as unusual or unexpected formations, cave-ins or pollution, all of which could result in work stoppages, damage to property and possible environmental damage.

Fluctuations in Commodity Prices - The profitability, if any, in any mining operation in which the Company may have an interest is significantly affected by changes in the market price of precious and base metals which fluctuate on a daily basis and are affected by numerous factors beyond the Company's control.

Mining Risks and Insurance - The business of mining s generally subject to a number of risks and hazards including environmental hazards, industrial accidents, labour disputes, unusual or unexpected geological conditions, pressures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods, blizzards and earthquakes. No assurance can be given that such insurance will continue to be available or that it will be available at economically feasible premiums. Mining operations will be subject to risks normally encountered in the mining business.

Environmental and Other Regulatory Requirements - the Company's activities have been subject to environmental regulations promulgated by government agencies from time to time. A breach of such legislation may result in imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving toward stricter standards and enforcement with more severe fines and penalties for non-compliance. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations.

The exploration interests of the Company and potential development and production on future properties, require permits from various federal and local governmental authorities and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

Competition - Significant competition exists for the limited number of mineral property acquisition opportunities available. As a result of this competition, some of which is with large established mining companies with substantial capabilities and greater financial and technical resources than the Company The Company may be unable to acquire additional attractive mineral properties on terms it considers acceptable. Accordingly, there can be no assurance that the Company's exploration and acquisition programs will yield any reserves or result in any commercial mining operation.

Stage of Development - the Company is in the business of exploring for precious and base metals, with the ultimate goal of producing them from its mineral exploration properties. None of the Company's past properties had commenced commercial production and the Company has no history of earnings or cash flow from its operations. As a result of the foregoing, there can be no assurance that the Company will be able to develop any of its future properties profitably or that its future activities will generate positive cash flow.

The Company has not sufficiently diversified such that it can mitigate the risks associated with its planned activities. The Company has limited cash and other assets.

A prospective investor in the Company must be prepared to rely solely upon the ability, expertise, judgment, discretion, integrity and good faith of the Company's management in all aspects of the development and implementation of the Company's business activities.

Reliance on Key Individuals - the Company's success depends to a certain degree upon certain key members of the management. These individuals are a significant factor in the Company's growth and success. The loss of the service of members of the management and certain key employees could have a material adverse effect on the Company.

Enforcement of Civil Liabilities - As the key major assets of the Company and certain of its management are or may be located outside of Canada, it may be difficult or impossible to enforce judgments granted by a court in Canada against the assets of the Company, or the management of the Company, residing outside of Canada. By the same token, the Canadian court has no jurisdiction to enforce any claims made by the Company outside of Canada.

Political Risks - The Company operated in Colombia and Bolivia and operations in these countries are subject to risk due to the potential for social, political, economic, legal and fiscal instability.

Future political actions cannot be predicted and may adversely affect the Company. Changes, if any, in mining or investment policies or shifts in political attitude in the countries in which the Company holds property interests in the future may adversely affect the Company's business, results of operations and financial condition. Future operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, income taxes, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety.

Failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications and tenure, could result in loss, reduction or expropriation of entitlements. The occurrence of these various factors and uncertainties cannot be accurately predicted and could have an adverse effect on the Company's consolidated business, results of operations and financial condition.

Other risks may involve matters arising out of the evolving laws and policies pertinent to that country, any future imposition of special taxes or similar charges, as well as foreign exchange fluctuations and currency convertibility and controls, the unenforceability of contractual rights or the taking or nationalization of property without fair compensation, restrictions on the use of expatriates in the Company's operations, or other matters. The Company also bears the risk that changes can occur in the government and a new government may void or change the laws and regulations that the Company may be relying upon.

Mining Regulation - The mineral exploration and development activities which may be undertaken by the Company are subject to various laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people and other matters.

Exploration and development activities may also be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on future exploration and production, price controls, export controls, currency availability, foreign exchange controls, income taxes, delays in obtaining or the inability to obtain necessary permits, opposition to mining from environmental and other non-governmental organizations, limitations on foreign ownership, expropriation of property, ownership of assets, environmental legislation, labour relations, limitations on repatriation of income and return of capital, limitations on mineral exports, high rates of inflation, increased financing costs, and site safety. This may affect both the Company's ability to undertake exploration and development activities in respect of its properties, as well as its ability to explore and operate those properties in which it current holds an interest or in respect of which it obtains exploration and/or development rights in the future.

No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail development or future potential production. Amendments to current laws and regulations governing operations and activities of mining and milling or more stringent implementation thereof could have a substantial adverse impact on the Company.