PORTOFINO
RESOURCES INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED MAY 31, 2020

The Management Discussion and Analysis ("MD&A"), prepared on September 28, 2020 should be read in conjunction with the audited financial statements for the year ended May 31, 2020, together with the notes thereto of Portofino Resources Inc. ("Portofino") which were prepared in accordance with International Financial Reporting Standards.

This MD&A may contain forward-looking statements in respect of various matters including upcoming events. The results or events predicted in these forward-looking statements may differ materially from the actual results or events. The Company disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

DESCRIPTION OF BUSINESS

Portofino Resources Inc. ("the Company") was incorporated on June 14, 2011 under the laws of British Columbia. The address of the Company's corporate office and its principal place of business is Suite 520, 470 Granville Street, Vancouver, British Columbia, Canada. The Company's shares are listed for trading on the TSX Venture Exchange ("TSX-V") under the symbol "POR". On October 10, 2018, the Company incorporated under the laws of Argentina, Portofino Argentina which is a non-active with no transactions occurring during the year ended May 31, 2020, the subsidiary is owned 95% by the Company and 5% by the Company's CEO.

The Company's principal business activities include the acquisition and exploration of mineral property assets. As at May 31, 2020, the Company had not yet determined whether the Company's mineral property asset contains ore reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the properties or realizing proceeds from their disposition. The outcome of these matters cannot be predicted at this time and the uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

EXPLORATION PROJECTS

During the year ended May 31, 2020 the following Exploration and Evaluation expenditures were incurred by the Company:

	May 31, 2020	May 31, 2019
	$	$
Property payments	106,464	-
Geological services	35,937	-
Total	**142,400**	**-**

Canada, Ontario

South of Otter, Red lake

Pursuant to an option agreement dated September 6, 2019 with 1544230 Ontario Inc. (the "SO Vendor"), the Company was granted an option to acquire a 100% undivided interest in the South of Otter property in the Red Lake area of Northern Ontario, Canada.

To acquire a 100% interest in the property, the Company has issued 500,000 common shares and is to make payments over a 4-year period to the SO Vendor totaling $70,000, as set out below:

EXPLORATION PROJECTS (CONTINUED)

South of Otter, Red Lake (Continued)

a) $15,000 (paid) on signing,
b) 500,000 shares (paid) following receipt of TSX-V approval of this transaction on October 7, 2019,
c) $8,000 due on the first anniversary of TSX-V approval,
d) $10,000 due on the second anniversary of TSX-V approval,
e) $12,000 due on the third anniversary TSX-V approval, and
f) $25,000 due on the fourth anniversary of TSX-V approval.

The vendor will retain a 1.5% Net Smelter Return ("NSR"), but Portofino has the right to purchase one half of the NSR (.75%) at any time up to commencement of production for a payment of $400,000.

Gold Creek Property, Atikokan

On May 11, 2020, the Company signed an Option agreement with Gravel Ridge Resources Ltd., that allows Portofino to earn a 100% interest in mining exploration claims held by Gravel Ridge, and located primarily in Duckworth Township, Ontario (Gold Creek Property).

To acquire a 100% interest in the project, the Company has agreed to issue 800,000 common shares of the Company to Gravel Ridge Resources and make cash payments of $70,600, as set out below:

a) $8,600 (paid) on signing,
b) 400,000 shares (paid) following receipt of TSX-V approval of this transaction on May 21, 2020,
c) $12,000 and 400,000 shares due on the first anniversary of TSX-V approval,
d) $20,000 due on the second anniversary of TSX-V approval, and
e) $30,000 due on the third anniversary TSX-V approval.

On August 10, 2020, the Company entered into Option Agreement Amendment with respect to the inclusion of additional mining claims (3 mining claims/50 mining cells) to the original Agreement.

Sapawe West Property, Atikokan

The Company entered into an Option agreement with 1544230 Ontario Inc. ("Owner"), dated May 22, 2020, to acquire a 100% interest in the Sapawe West Property Claims located in Schwenger and McCaul Townships, Ontario.

To acquire a 100% interest in the property, Portofino has agreed to issue 700,000 common shares and make payments over a 3-year period to the Owner totaling $62,000, as set out below:

a) $12,00 (paid) on signing,
b) 500,000 shares (paid) following receipt of TSX-V approval of this transaction on May 28, 2020,
c) $10,000 and 200,000 shares due on the first anniversary of TSX-V approval,
d) $15,000 due on the second anniversary of TSX-V approval, and
e) $25,000 due on the third anniversary TSX-V approval.

1544230 Ontario Inc. retains 1.5% NSR on all mineral production, 0.75% of which can be purchased by Portofino for $500,000.

EXPLORATION PROJECTS (CONTINUED)

Melema West Property, Atikokan

The Company entered into an agreement with 1544230 Ontario Inc. ("Owner"), dated May 22, 2020, the Company was granted an option to acquire a 100% interest in Melema West Property located in Hutchinson, Bellmore Lake and Ramsay Wrights Townships, Ontario.

To acquire a 100% interest in the property, Portofino is to issue 700,000 common shares and make payments over a 3-year period to the Owner totaling $62,000, as set out below:

a) $12,00 (paid) on signing,
b) 500,000 shares following receipt of TSX-V approval of this transaction June 16, 2020,
c) $10,000 and 200,000 shares due on the first anniversary of TSX-V approval,
d) $15,000 due on the second anniversary of TSX-V approval, and
e) $25,000 due on the third anniversary TSX-V approval.

1544230 Ontario Inc. retains 1.5% NSR on all mineral production, 0.75% of which can be purchased by Portofino for $500,000.

Catamarca, Argentina

Yergo Lithium Brine Project

Pursuant to an option agreement dated February 15, 2019 with a private Argentine concession owner (the "Yergo Optionor"), the Company was granted an option to acquire a 100% undivided interest in the Yergo lithium brine project in Catamarca, Argentina. The concession area comprises approximately 2,932 hectares encompassing the full salar.

To acquire a 100% interest in the property, the Company has agreed to make annual escalating payments to the Yergo Optionor over a four-year period totaling US$370,000 as follows:

a) US$10,000 on signing (paid),
b) By the 1st anniversary of approval- US$20,000,
c) By the 2nd anniversary of approval- US$70,000,
d) By the 3rd anniversary of approval- US$120,000, and
e) By the 4th anniversary- US$150,000.

On August 14, 2020 (see note 15, Subsequent Events) the Company amended the terms of the Yergo Agreement.

Prior Property Agreements

Hombre Muerto West Lithium Brine Project, Catamarca, Argentina

Pursuant to an option agreement dated September 6, 2018 with a private Argentine concession owner (the "Hombre Muerto Optionor"), the Company was granted an option to acquire a 100% undivided interest in the Hombre Muerto West lithium brine project in Catamarca, Argentina. The Hombre Muerto West project is comprised of two claim blocks totalling 1,804-hectares located within the Salar del Hombre Muerto.

EXPLORATION PROJECTS (CONTINUED)

Prior Property Agreements (Continued)

Hombre Muerto West Lithium Brine Project, Catamarca, Argentina (Continued)

To acquire a 100% interest in the properties, the Company has agreed to make annual escalating payments to the Hombre Muerto Optionor over a four-year period totalling US$400,000 and 1,000,000 common shares as follows:

a) An initial US$15,000 deposit (paid)
b) Within 30 days of execution of a definitive agreement-pay US$7,000 (paid)
c) Upon TSX-V Exchange approval – issue 100,000 shares
d) By the first anniversary of TSX-V Exchange approval – issue 200,000 shares and pay US$14,000,
e) By the 2nd anniversary of approval- issue 200,000 shares and pay US$44,000,
f) By the 3rd anniversary- issue 500,000 shares and pay US$100,000, and
g) By the 4th anniversary- pay US$220,000.

On September 24, 2020 (see note 15, Subsequent Events) the Company completed the assignment of Portofino's rights and obligations related to the Hombre Muerto West Lithium Brine Project to Galan Lithium Limited ("Galan"). As consideration, Portofino will receive $100,000 in cash and 650,000 fully paid common shares of Galan for Portofino's 100% interest in the Hombre Muerto West Lithium Brine Project.

Rio Grande Sur Lithium Brine Project, Catamarca, Argentina

Pursuant to an option agreement dated September 6, 2018 with a private Argentine concession owner (the "Rio Grande Sur Optionor"), the Company was granted an option to acquire a 100% undivided interest in the Rio Grande Sur lithium brine project in Catamarca, Argentina. The Rio Grande Sur project comprised of 3 claim blocks totaling 8,500 hectares located within the province of Catamarca.

To acquire a 100% interest in the properties, the Company has agreed to make annual escalating payments to the Rio Grande Sur Optionor over a four-year period totaling US$780,000 and 210,000 common shares as follows:

a) An initial US$14,000 (paid)
b) Within 14 days of execution of the agreement – US$26,000
c) Upon TSX-V Exchange approval – issue 30,000 shares
d) By the first anniversary of TSX-V Exchange approval – issue 40,000 shares and pay US$80,000
e) By the second anniversary of TSX-V Exchange approval – issue 40,000 shares and pay US$120,000
f) By the third anniversary of TSX-V Exchange approval – issue 100,000 shares and pay US$240,000
g) By the fourth anniversary of TSX-V Exchange approval – pay US$300,000

In December 2018 the option agreement between the Company and the Rio Grande Sur Optionor was terminated.

Iron Horse-Bolivar Mineral Property, British Columbia, Canada

Pursuant to an option agreement dated February 28, 2012 and amended agreement dated September 15, 2017, with Rich River Exploration Ltd. ("Rich River") and Craig Alvin Lynes, collectively, the "Optionors",

EXPLORATION PROJECTS (CONTINUED)

Prior Property Agreements (Continued)

Iron Horse-Bolivar Mineral Property, British Columbia, Canada (Continued)

the Company was granted an option to acquire a 100% undivided interest in the Iron Horse-Bolivar Mineral Property (the "Property") originally comprised of seven mineral claims located in the Peachland region of British Columbia. During the year three claim blocks were allowed to lapse, reducing the Property from 2,247 Ha to 1,812 Ha, as the 435 Ha had previously returned limited results and would not be subject to further exploration activity by the Company.

To earn the 100% interest, the Company agreed to issue 275,000 common shares (pre-consolidation) of the Company to the Optionor, make cash payments totaling $100,000, and incur a total of $1,000,000 in exploration expenditures as follows:

	Number of Common Shares	Cash	Exploration Expenditures
		$	$
Upon execution of the agreement (paid)	-	10,000	-
On or before February 28, 2013 (incurred)	-	-	100,000
Upon listing of the Company's common shares on the TSX Venture Exchange (issued and paid)	85,000	15,000	-
On or before the December 5, 2015 (issued)	90,000	-	-
On or before the December 5, 2017 (paid and issued)	100,000	5,000	125,000
On or before the December 5, 2018	-	25,000	300,000
On or before December 5, 2019	-	45,000	475,000
Total	275,000	100,000	1,000,000

The Optionors will retain a 3% Net Smelter Returns royalty on the Property. The first 2% of the royalty may be purchased by the Company at $500,000 for each 1%. The purchase of the remaining 1% is negotiable after commercial production commences.

On April 26, 2019 Rich River and the Company agreed to terminate the Iron Horse-Bolivar mineral property option agreement, as a result the previously capitalized acquisition costs have been written off to $NIL.

SELECTED ANNUAL INFORMATION

	May 31, 2020	May 31, 2019*	May 31, 2018*	May 31, 2017*
Financial results				
Net loss for the year	$ (950,337)	$ (775,298)	$ (1,553,282)	$ (618,631)
Comprehensive loss for the year	(950,337)	(775,298)	(1,553,282)	(618,631)
Basic and diluted loss per share	(0.04)	(0.05)	(0.21)	(0.12)
Financial position data				
Cash	301,749	$ 1,987	$ 164,707	$ 194,282
Exploration and evaluation assets	-	-	-	-
Total assets	443,544	406,755	555,415	444,911
Shareholders' equity	253,713	291,558	435,151	353,615

** The comparative figures have been restated to conform with the retrospective impact of the change in accounting policy during the 2020 fiscal year for its exploration and evaluations expenditures.*

SELECTED QUARTERLY FINANCIAL INFORMATION

Financial results	May 31, 2020	February 29, 2020	November 30, 2019	August 31, 2019
Net loss for the period	$ (676,810)	$ (96,915)	$ (96,738)	$ (79,874)
Comprehensive loss for the period	(676,810)	(96,915)	(96,738)	(79,874)
Basic and diluted loss per share	(0.03)	-	-	-
Balance sheet data				
Cash	$ 301,749	$ 6,638	$ 8,114	$ 25,527
Exploration and evaluation assets	-	-	-	-
Total assets	443,544	311,252	315,342	356,875
Shareholders' equity	253,713	33,031	114,946	211,684

Financial results	May 31, 2019*	February 28, 2019*	November 30, 2018*	August 31, 2018*
Net loss for the period	$ (224,864)	$ (224,554)	$ (146,099)	$ (179,781)
Comprehensive loss of the period	(224,864)	(224,554)	(146,099)	(179,781)
Basic and diluted loss per share	(0.01)	(0.01)	-	-
Balance sheet data				
Cash	$ 1,987	$ 147,503	$ 15,087	$ 20,170
Exploration and evaluation assets	-	-	-	-
Total assets	406,377	526,126	354,527	423,507
Shareholders' equity	291,558	721,620	388,167	534,267

***** *The comparative figures have been restated to conform with the retrospective impact of the change in accounting policy during the 2020 fiscal year for its exploration and evaluations expenditures.*

RESULTS OF OPERATION

Year ended May 31, 2020 compared with year ended May 31, 2019

The Company had a net loss and comprehensive loss of $950,337 during the year ended May 31, 2020 versus $775,298 in the comparative year, being an increase of $175,039, or 22%.

Included in the determination of operating loss is an increase of $194,632 (2019: $119,299) on consulting fees, $142,400 ($2019: $NIL) on general exploration expenditures, $39,093 (2019: $24,608) on office expenses, $119,893 (2019: $119,980) on professional fees, and $21,198 (2019: $21,122) on transfer agent and filing fees. Also included are decreases to $183 (2019: $791) on advertising and promotion, $209 (2019: $504) on amortization, $NIL (2019: $161,386) on due diligence costs, $68,181 (2019: $85,284) on investor communications, $105,000 (2019: $162,750) on management fees, $14,487 (2019: $15,259) on rent, $NIL (2019: $74,054) on share-based payments, and $11,187 (2019: $31,960) on travel and promotion.

LIQUIDITY AND CAPITAL RESOURCES

During the year ended May 31, 2020, Portofino had a working capital surplus of $253,713, which included a cash balance of $301,749.

The Company does not currently own or have an interest in any producing mineral properties and does not derive any revenues from operations. Historical exploration and administrative activities have been funded through equity financing and the Company expects that it will continue to be able to utilize this source of financing until the Company has cash flow from operations. There can be no assurance, however, that efforts will be successful. If such funds are not available or other sources of financing cannot be obtained, then we will be curtailed to a level for which funding is available or can be obtained.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements.

OUTSTANDING SHARE DATA

On January 4, 2019, the Company consolidated its share on a 4 for 1 basis. The Company had 51,963,500 common shares issued and outstanding and the resulting post consolidation shares outstanding are 12,990,875. All share information was updated to reflect this consolidation. The exercise price and number of common shares issuable pursuant to all outstanding stock options and warrants have been adjusted in accordance with the consolidation ratio. All references to shares, stock options and warrants are to post consolidation shares, stock options and warrants.

As of the date of this MD&A, Portofino has 60,057,645 Common shares issued and outstanding; 24,443,417 share purchase warrants and 4,233,750 share options convertible into common shares.

TRANSACTIONS WITH RELATED PARTIES

The following is a summary of the Company's related party transactions during the year ended May 31, 2020:

Name	**Relationship**	**Purpose of Transaction**	**May 31, 2020**	**May 31, 2019**
Pacific Capital Advisors Inc.	Company controlled by David Tafel, CEO and director of the Company	Advisory services related to CEO duties	$105,000	$150,000
Kamas Advisors Ltd.	Director of the Company, Stephen Wilkinson	Advisory services	-	$12,750
Seatrend Strategy Group	Company controlled by Jeremy Wright, the CFO of the Company	CFO services	$75,000	$60,000

(a) (i) Management Services Agreements: Total fees of $105,000 (2019: $162,750) were paid or accrued to companies owned by David Tafel and Stephen Wilkinson, directors of the Company for administration services outside their capacity as a director.

(ii) Accounting fees: The Company paid or accrued accounting fees of $75,000 (2019: $60,000) to a company owned by Jeremy Wright, an officer of the Company.

COMMITMENT

Pursuant to the initial and amended letters of intent with Centurion Minerals Ltd. ("Centurion"), a public company having common directors with the Company, Centurion will assist the Company with due diligence, structuring and negotiating a mining transaction on behalf of the Company. As consideration, the Company will pay a total of $75,000 (paid) and issue up to 125,000 common shares of the Company upon the approval of the mining transaction by TSX-V.

NEW ACCOUNTING STANDARDS ADOPTED EFFECTIVE JUNE 1, 2019

The Company has adopted the following accounting standards effective June 1, 2019, which had no significant impact on the financial statements of the Company:

- IFRS 16 *Leases*
- IFRIC 23 *Uncertainty Over Income Tax Treatments*

FINANCIAL INSTRUMENTS AND FINANCIAL RISK

International Financial Reporting Standards 7, *Financial Instruments: Disclosures*, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair Value of Financial Instruments

The Company's financial assets include cash, which is classified as Level 1. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

Assets measured at fair value on a recurring basis were presented on the Company's statements of financial position as at May 31, 2020 are as follows:

	Fair Value Measurements Using			
	Quoted Prices in Active Markets For Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
	$	$	$	$
Cash	301,749	-	-	301,749

Fair value

The fair value of the Company's financial instruments approximates their carrying value as at May 31, 2020 because of the demand nature or short-term maturity of these instruments.

FINANCIAL INSTRUMENTS AND FINANCIAL RISK (CONTINUED)

The following table summarizes the carrying value of the Company's financial instruments:

	2020	**2019**
	$	$
Cash(i)	301,749	1,987
Amounts receivable (ii)	38,988	58,209
Promissory notes (ii)	-	283,875
Accounts payable (ii)	157,382	96,497

(i) FVTPL
(ii) Amortized cost

Financial risk management objectives and policies

The Company's financial instruments include cash, amounts receivable, promissory notes and accounts payable. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) *Currency risk*

The Company is exposed to foreign currency risk related to cash payments, exploration expenditures and its promissory notes that are denominated in US dollars and Pesos. The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada. Management does not hedge its exposure to foreign exchange risk and the Company's net exposure is limited.

The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities.

(ii) *Interest rate risk*

The Company is exposed to interest rate risk to the extent that the cash maintained at the financial institution. The fair value interest rate risk on cash is insignificant due to their short-term nature.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

(iii) *Credit risk*

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist of cash and promissory notes. To minimize the credit risk the Company places these instruments with a high quality financial institution.

(iv) *Liquidity risk*

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations.

SUBSEQUENT EVENTS

Please refer to note 15 of the audited financial statements for the year ended May 31, 2020.