AETHON MINERALS CORPORATIOM (FORMERLY WATUSI CAPITAL CORP.)
INTERIM MD&A
FOR THE THREE MONTHS ENDED MARCH 31, 2019

Background

This Management Discussion and Analysis ("**Interim MD&A**") for Aethon Minerals Corporation (formerly Watusi Capital Corp.) (the "**Company**" or "**Aethon**") is prepared as at May 28, 2018 and should be read in conjunction with the Company's unaudited condensed interim financial statements for the three months ended March 31, 2019 and in conjunction with its audited annual financial statements and related Management Discussion and Analysis for the year ended December 31, 2018.

The unaudited condensed interim financial statements for the three months ended March 31, 2019, and comparative information presented therein, have been prepared in accordance with International Financial Reporting Standard and with International Accounting Standard 34, "Interim Financial Reporting", as issued by the International Accounting Standards Board.

For the purposes of preparing this Interim MD&A, management, in conjunction with the Board of Directors of Aethon (the "**Board of Directors**"), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of Aethon's common shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Caution Regarding Forward-Looking Statements

This Interim MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Examples of such statements include the Company's plans with respect to the Properties, the Company's expected cash and financing requirements and the expected impact if the Company is unable to raise additional capital. Such forward-looking statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to: the ability of the Company to obtain necessary financing; the ability of the Company to satisfy conditions under any agreement; the exploration potential of its mining claims; anticipated cost; and unanticipated costs. While the Company anticipates that subsequent events and developments may cause its views to change, the Company specifically disclaims any obligation to update these forward-looking statements unless required to do so under applicable securities law. These forward-looking statements should not be relied upon as representing the Company's views as of any date subsequent to the date of this document. Although the Company has attempted to identify factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking 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.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this Interim MD&A speak only as of the date of this Interim MD&A or as of the date specified in such statement.

All dollar figures included therein and in the interim MD&A are quoted in Canadian dollars unless otherwise stated. Additional information relevant to the Company’s activities can be found on The Company’s website at www.aethonminerals.com and on SEDAR at www.sedar.com.

Description of Business

Aethon is a mineral exploration company focused on creating shareholder value. Aethon has a large prospective land position consisting of over 100,000 hectares along prolific mining belts located in the Antofagasta and Maricunga regions of northern Chile. The Company believes it is uniquely positioned for growth and is actively pursuing selective exploration-stage growth opportunities.

The Company’s head office and principal place of business is located at 220 Bay St, Suite 550, Toronto, Ontario M5J 2W4, Canada. The Company was continued under the Canada Business Corporations Act on July 17, 2018. The Company is a reporting issuer in the provinces of British Columbia, Alberta and Ontario. The Company’s common shares are listed on the TSX Venture Exchange (“**TSX-V**”, or the “**Exchange**”) under the symbol “AET”.

Qualifying Transaction

Until April 25, 2018, the Company, operating under the name “Watusi Capital Corp.” was a Capital Pool Company (“**CPC**”), as defined in the TSX-V Policy 2.4. As such, the Company had no commercial activities and sought a Qualifying Transaction pursuant to the policies of the TSX-V by way of an acquisition of an operating business or assets.

On April 25, 2018, the Company changed its name to “Aethon Minerals Corporation” and effected the consolidation of the common shares of the Company on the basis of one post-consolidation common share for each three common shares of the Company issued and outstanding immediately prior to such consolidation (the "**Consolidation**"). On April 26, 2018, the Company completed its Qualifying Transaction under the policies of the TSX-V through the acquisition of an option (the "**QT Option**") to earn a 100% interest in certain mineral properties with prospective copper and gold targets located in northern Chile (the "**Properties**") from Prospex SpA, BLC SpA and CALISTO SpA (collectively, the "**Optionors**") in addition to the purchase of related databases (the "**Databases**") from the Optionors (collectively, the "**Transaction**"). The Properties cover over 100,000 hectares of prospective projects in the Antofagasta copper region and the Maricunga gold - silver region. The consideration for the purchase of the Databases and the grant of the QT Option was the issuance to the Optionors on April 26, 2018, of an aggregate of 11,200,000 post-Consolidation common shares of the Company at an issue price of $0.51 per share.

On April 4, 2019, the Company announced that it had exercised its option to acquire a 100% interest in the Properties. Per the option agreement with the Optionors relating to the QT Option, the Company was required to incur cumulative expenditures of at least $750,000 on the exploration and development of the Properties by October 26, 2019, with at least $500,000 incurred prior to April 26, 2019, and pay an aggregate of $1,000 to the Optionors. Any production from the Properties is subject to an existing 0.98% gross sales royalty in favour of Altius Minerals Corp. and a new 1.02% gross sales royalty in favour of the Optionors, for a total gross sales royalty of 2.0%.

Financing

In connection with the Transaction, on February 23, 2018, the Company completed a private placement financing (the "**Financing**") of 15,100,000 subscription receipts (the "**Subscription Receipts**") for gross proceeds of $7,701,000. Each Subscription Receipt was converted, without payment of additional consideration, upon closing of the Transaction on April 26, 2018, to one post-Consolidation common share of the Company and one common share purchase warrant (each a "**Warrant**") entitling the holder to acquire one additional post-Consolidation common share of the Company at a price of $1.02 for a five-year period ending April 26, 2023, subject to acceleration and adjustment in accordance with its terms. If, after June 23, 2018, the closing price of the Company's common shares is higher than $1.55 for any 20-consecutive trading-day period, the expiry date of the Warrants may be accelerated by the Company to the 20th trading day following the end of such a 20-day period by the issuance, within two trading days, of a news release announcing such acceleration. As at December 31, 2018, the Company incurred total transaction costs of $536,390 of which $209,997 was allocated to the Warrants and the remaining $326,393 was allocated to share capital.

Following the completion of the Transaction and the conversion of the Subscription Receipts, the net proceeds of the Financing were released to the Company. In connection with the Financing, the Company paid to Sprott Capital Partners, a division of Sprott Private Wealth LP, and Sprott Global Resource Investments, Ltd. (the "**Finders**"), from the proceeds of the Financing, fees of $425,371 representing 6.0% of the gross proceeds raised from purchasers introduced by, or whose subscriptions are attributable to the efforts of, the Finders, together with applicable expenses and taxes, and issued to the Finders 834,060 non-transferrable finder's warrants (the "**Finders'**

Warrants"), representing 6.0% of the number of Subscription Receipts purchased by such purchasers. Each Finders' Warrant is exercisable to purchase on or before April 26, 2020, one post-Consolidation common share at an exercise price of $0.51.

Pursuant to the terms of the finder's fee agreements with the Finders, the Company reimbursed the Finders' reasonable fees and disbursements incurred in connection with the Financing.

Stock Options

In connection with the Transaction, the Company granted 2,644,000 stock options with a $0.51 exercise price and April 26, 2023 expiry date to directors, officers and consultants of the Company. The stock options shall vest over a three-year period from the date of the grant, with one third vesting at the end of each year. On February 26, 2019 800,000 stock options were forfeited.

Capitalization

As at May 28, 2019 there were 27,633,333 post-Consolidation common shares issued outstanding. In addition, there were a total of 1,960,667 stock options, 15,100,000 Warrants and 834,060 Finders' Warrants outstanding.

The values attributed to the QT Option and related Databases and the components of shareholders' equity affected by the Transaction have been capitalized as deferred acquisition costs in the mineral property interest.

Corporate Development Highlights

On May 16, 2018, the Company through its wholly-owned subsidiary, Aethon Minerals Chile SpA ("**Aethon Chile**") entered into an option agreement with Sociedad Legal Minera La Florida De Canela (the "**Llanos Optionor**"), an arm's length private Chilean company, to acquire a 100% interest in the Llanos De Llahuin project ("**Llanos**" or the "**Llanos Project**") in Chile. The Llanos Project, located close to the city of Illapel, is approximately 250 km north of Santiago and is situated in Chile's Region IV.

The Company paid US$100,000 to the Llanos Optionor upon signing of the option agreement (the "**Llanos Option Agreement**") in respect of the Llanos Project (the "**Llanos Option**") which was capitalized as deferred acquisition costs included in the mineral property interest.

On February 4, 2019, the Company provided formal notice to the Llanos Optionor of termination of the Llanos Option Agreement. Although there are several untested exploration targets on the property underlying the Llanos Option, the Company has elected to focus on other opportunities with greater potential. At December 31, 2018, the Company wrote off $757,239, which was capitalized as a deferred acquisition cost included in the mineral property interest.

In order to exercise the Llanos Option, the Company would have been required to make the following payments: US$100,000 within six months, US$150,000 within twelve months, US$500,000 within eighteen months, US$650,000 within twenty-four months, US$1,800,000 within thirty-six months and US$3,000,000 within forty-eight months of the date of the Llanos Option Agreement. Under the Llanos Option Agreement, the Llanos Optionor would have retained a 2% net smelter return royalty, of which Aethon could have acquired in its entirety for a one-time cash payment of US$4,500,000.

On September 27, 2018 the Company changed its fiscal year end from November 30 to December 31 effective from December 1, 2018.

On March 1, 2019, the Company entered into a binding letter agreement (the "**AbraPlata Agreement**") with AbraPlata Resource Corp. ("**AbraPlata**") (TSX-V: ABRA & OTCPK: ABBRF) , whereby Aethon will have the exclusive right for a period of approximately five months to (i) perform technical due diligence on AbraPlata's Diablillos silver-gold project (the "Diablillos Project") in Argentina and (ii) negotiate with AbraPlata the terms of an option or other transaction whereby Aethon could acquire a 50% or greater interest in the Diablillos Project. SSR Mining Inc. (formerly Silver Standard Resources Inc.) ("SSRM") (NASDAQ: SSRM) (TSX: SSRM), the original vendor of the Diablillos Project to AbraPlata, has indicated its intention to support in principle the transactions to be negotiated by the parties pursuant to the AbraPlata Agreement.

The following is a summary of the principal terms of the Aethon Letter Agreement:

- Aethon shall have the exclusive right until July 26, 2019 to complete its due diligence and negotiate the terms of, and enter into an option agreement with AbraPlata, pursuant to which Aethon can earn a 50% interest in the Diablillos Project.
- In consideration for the exclusivity period, Aethon made an upfront payment of USD$50,000 to AbraPlata.
- During the Exclusivity Period, Aethon will spend a minimum of USD$150,000 on expenditures in connection with a metallurgical testing program and other related test work to be carried out on the Diablillos Project.

The Diablillos Project is located in the mining-friendly province of Salta in northwestern Argentina, approximately 150 km southwest of the city of Salta. The Diablillos Project comprises nine mineral leases acquired by AbraPlata in 2016 from SSRM with multiple known occurrences of epithermal gold-silver mineralization. Exploration work, conducted by a number of operators over the history of the Diablillos Project, includes approximately 88,000 m of diamond and reverse circulation drilling in over 475 holes. This drilling has delineated the Oculto and Fantasma deposits, which are weathered high-sulphidation epithermal gold-silver deposits.

Discussion of Operations

<u>Three months ended March 31, 2019 ("**Q1 2019**") compared with the three months ended February 28, 2018 ("**Q1 2018**").</u>

The Company's net loss totalled $345,774 for Q1 2019 with basic and diluted loss per share of $0.01 for Q1 2019. This compares with a net loss of $103,821 for Q1 2018 with basic and diluted loss per share of $0.07 for Q1 2018. The increase of $241,954 in net loss in Q1 2019 compared with Q1 2018 was principally due to:

- $159,625 in salaries, benefits and Director fees in Q1 2019 compared with $nil in Q1 2018 while the Company was operating as a CPC. After the Transaction was completed, the Company hired officers, employees and appointed Directors to carry out its business activities.

- $60,720 in professional fees in Q1 2019 compared with $79 in Q1 2018 in connection with legal, audit, accounting, consultants and management services incurred as a publicly listed entity.

- $18,842 in share base compensation in Q1 2019 compared with $Nil in Q1 2018 in connection with the 1,844,000 unvested stock options outstanding balance granted to officers, directors and a consultant in April 26, 2018.

- $11,717 foreign exchange loss in Q1 2019 compared with $Nil in Q1 2018 due to the Chilean Peso depreciation against the Canadian Dollar in connection with the intercompany advances from the Company to its Chilean subsidiary.

- $63,894 in office administration and facilities in Q1 2019 compared with $3,974 in Q1 2018 for rent and setting up new offices in Toronto, Canada as well as in Santiago and La Serena, Chile, in addition to general office costs and supplies incurred.

- $13,274 in marketing expenses in Q1 2019 compared with $Nil in Q1 2018 in connection with the attendance of seminars and conferences and the retainer of market making services.

- $29,555 in consulting fees in Q1 2019 compared with $94,756 in Q1 2018. The decrease is due to the reduction in consultants retained after the Qualifying Transaction was completed in April 26, 2018

- $22,356 in interest income in Q1 2019 compared with $Nil in Q1 2018 in connection with the interest received for the Company's bank account deposits.

Liquidity and Changes to Expense Structure

As at March 31, 2019, the Company had cash of $3,749,809 compared with $4,341,736 as at December 31, 2018. The cash was used for exploration and evaluation activities and General and Administrative expenses.

As at March 31, 2019, the Company had net working capital of $3,502,568 which decreased as compared to net working capital of $4,019,575 as at December 31, 2018.

Although future expenditures by the Company could increase significantly if the Company advances exploration activities on the Properties or enters into an option agreement on the Diablillos Project, the net proceeds raised to date will be sufficient to maintain the Company's near-term operations and to fund the planned exploration expenditures. Should further exploration activities be undertaken, the Company may require additional funding.

The Company has no operating revenues and therefore must utilize its funds obtained from the Financing and other financing transactions to maintain its capacity to meet ongoing exploration and operating activities.

The Company's unaudited condensed interim consolidated financial statements have been presented on the basis that the Company will continue as a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of the business.

Selected Financial Information

As Aethon has no revenue, the Company's ability to fund its operations is dependent upon its ability to secure financing through equity or debt issues. The value of any resource property asset is dependent upon the existence of economically recoverable mineral reserves, the ability to obtain the necessary financing to complete exploration and development, and the future profitable production or proceeds from disposition of such properties.

The following table sets forth selected financial information of the Company for the past eight quarters.

Quarterly Information	Quarter ended March 31, 2019 $	Four Months ended December 31, 2018 $	Quarter ended August 31, 2018 $	Quarter ended May 31, 2018 $
Revenue	Nil	Nil	Nil	Nil
Income from Operations	Nil	Nil	Nil	Nil
Total Loss and Comprehensive Loss	345,774	1,762,043	593,358	666,027
Basic and Diluted loss per Share	0.01	0.06	0.02	0.02
Cash and Restricted Cash	3,749,809	4,341,736	5,255,697	6,846,726
Mineral Property Interest	6,825,884	6,644,092	6,901,776	6,345,387
Total Assets	10,760,523	11,204,482	12,443,444	13,274,265
Accounts Payables and Accrued Liabilities	427,595	310,659	244,274	637,449
Total Equity	10,332,928	10,893,822	12,199,170	12,636,816

Quarterly Information	Quarter ended Feb. 28, 2018 $	Quarter ended November 30, 2017 $	Quarter ended August 31, 2017 $	Quarter ended May. 31, 2017 $
Revenue	Nil	Nil	Nil	Nil
Income from Operations	Nil	Nil	Nil	Nil
Total Loss and Comprehensive Loss	103,821	11,576	5,094	41,332
Basic and Diluted loss per Share	0.07	0.01	0.00	0.03
Cash and Restricted Cash	8,108,369	477,683	483,457	488,710
Mineral Property Interest	Nil	Nil	Nil	Nil
Total Assets	8,108,369	477,683	483,457	488,710
Accounts Payables and Accrued Liabilities	118,756	6,867	1,065	1,224
Total Equity	8,044,961	470,816	482,392	487,486

Trends

The Company incurred a Total Loss and Comprehensive Loss during the quarter ended March 31, 2019, primarily as a result of the Company's General and Administrative Expenses in order to carry its exploration and evaluation programs in Chile.

During each of the quarters outlined in the table above prior to the Quarter ended May 31, 2018, the Company was a capital pool company with no significant operations.

Related Party Transactions

Until April 25, 2018, the Company was party to a corporate service agreement with Earlston Management Corp. ("**Earlston**"), a company related by virtue of having certain officers and directors in common, that provided office facilities and support services to the Company for a fee of $1,000 per month plus sales taxes. Earlston was also reimbursed for all reasonable expenses incurred in the performance of its services. During Q1 2019 the Company incurred $Nil compared with $3,150 in Q1 2018 of such costs to Earlston.

Mineral Properties

The Company currently holds in excess of 100,000 hectares of mining exploration concessions, all located in Chile as follows:

Antofagasta Region IV: Arcas, Quiltro, Lia and Timon projects comprising approximately 66,000 hectares. This land package is located on a prolific belt that holds exiting new projects and large scale mining operations such as the Collahuasi Mine, El Abra Mine, Radomiro Tomic Mine and Chuquicatama Mine, among others.

Maricunga Region III: In this region, the Company holds eight land concessions as follows: Carreta, Pescado, Peineta, Plato de Sopa, Freddie, Chavo-Florinda, Aladeen and Pepe, which combined creates a total land package of approximately 64,000 hectares in the prolific Miocene porphyry-epithermal belt in region. This region has been prolific for large scale deposit finds such as Cerro Casale, Salares Norte, La Coipa and others.

These Mineral Properties are combined as ("**Arcas and Maricunga**") in the table below.

During Q1 2019, the Company spent $181,792 on Arcas and Maricunga as well as the AbraPlata Agreement compared with $nil in Q1 2018 as follow:

Mineral Properties Interest	Accumulated at March 31, 2019	During Quarter ended March 31, 2019	Accumulated at December 31,2018	Accumulated at August 31, 2018	Accumulated at May 31, 2018	Accumulated at February 28, 2018
Arcas y Maricunga						
Acquisition	$ 5,712,000	$ -	$ 5,712,000	$ 5,712,000	$ 5,712,000	$ -
Legal Expenses	208,010	12,961	195,049	163,830	116,134	-
Drilling And Exploration	167,084	19,565	147,519	78,716	-	-
Laboratory	8,352	3,801	4,551	1,929	-	-
Mining Fees	430,110	42,765	387,345	339,540	339,031	-
Consultants	214,389	41,243	173,146	79,263	42,628	-
Others	19,639	- 4,843	24,482	12,337	4,690	-
Total Arcas y Maricunga	**$ 6,759,584**	**$ 115,492**	**$ 6,644,092**	**$ 6,387,615**	**$ 6,214,483**	**$ -**
Llanos						
Acquisition	$ -	$ -	$ 128,675	$ 121,850	$ 130,904	$ -
Legal Expenses	-	-	30,271	26,739	-	-
Drilling And Exploration	-	-	446,347	294,036	-	-
Laboratory	-	-	29,032	10,508	-	-
Mining Fees	-	-	7,762	7,197	-	-
Consultants	-	-	86,657	39,389	-	-
Others	-	-	28,495	14,442	-	-
Write-off	-	-	- 757,239	-	-	-
Total Llanos	**$ -**	**$ -**	**$ -**	**$ 514,161**	**$ 130,904**	
Abraplata						
Acquisition	$ 66,300	$ 66,300	$ -	$ -	$ -	$ -
Legal Expenses	-	-	-	-	-	-
Total Abraplata	**$ 66,300**	**$ 66,300**	**$ -**	**$ -**	**$ -**	
Grand Total	**$ 6,825,884**	**$ 181,792**	**$ 6,644,092**	**$ 6,901,776**	**$ 6,345,387**	**$ -**

Commitments

The Company is subject to the following commitments for premises rent:

Commitments	Amount
For the year ended December 31, 2019	$ 65,708
For the year ended December 31, 2020	$ 87,610

Subsequent Events

On April 26, 2019 the Company announced that will hold its Annual and Special Meeting of Security Holders on June 24, 2019.

On April 4, 2019, the Company announced that it had exercised its option to acquire a 100% interest in the Properties. Per the option agreement with the Optionors relating to the QT Option, the Company was required to incur cumulative expenditures of at least $750,000 on the exploration and development of the Properties by October 26, 2019, with at least $500,000 incurred prior to April 26, 2019, and pay an aggregate of $1,000 to the Optionors. Any production from the Properties is subject to an existing 0.98% gross sales royalty in favour of Altius Minerals Corp. and a new 1.02% gross sales royalty in favour of the Optionors, for a total gross sales royalty of 2.0%.

Other Information

The financial statements and additional information regarding the Company are available on SEDAR at www.sedar.com and on the Company's website www.aethonminerals.com.