MANAGEMENT DISCUSSION AND ANALYSIS

For the year ended September 30, 2018

(Expressed in Canadian dollars)

The following is management's discussion and analysis ("MD&A") of the results of operations and financial condition of Azarga Metals Corp. (the "Company" or "Azarga") for the year ended September 30, 2018 and up to the date of this MD&A, and should be read in conjunction with the accompanying audited consolidated financial statements for the year ended September 30, 2018, together with the notes thereto (the "Financial Report").

All financial information in this MD&A is derived from the Company's financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") and all dollar amounts are expressed in Canadian dollars unless otherwise indicated.

The effective date of this MD&A is January 18, 2019.

Description of the Business

Azarga is a publicly-traded company incorporated under the laws of the Province of British Columbia. The Company's shares are listed on the TSX Venture Exchange and trade under the symbol AZR.

The Company is engaged in the exploration and, if warranted, development of a mineral resource project in eastern Russia. The Company is considered to be in the exploration stage as it has not placed any of its exploration and evaluation assets into production nor has it generated any revenues from operations.

Unkur Copper-Silver Project, eastern Russia

The now 100% owned Unkur Copper-Silver Project, located in the Zabaikalsky administrative region of eastern Russia, is the Company's principal asset.

As announced October 15, 2018, the Company filed a technical report and preliminary economic assessment effective August 30, 2018 for its Unkur Copper-Silver Project (the "Unkur PEA"). The Unkur PEA was independently prepared by Tetra Tech Mining and Minerals ("Tetra Tech"), in accordance with National Instrument 43-101 ("NI 43-101"). The Unkur PEA is filed on the Company's profile on www.sedar.com and is also available on the Company's website.

The Unkur PEA is based on the current Inferred Mineral Resource estimate for Unkur of 62 million tonnes at 0.53% copper and 38.6 g/t silver, containing 328,600 tonnes (724 million pounds) of copper and 76.8 million troy ounces of silver, as announced by the Company on March 27, 2018 ("2018 Mineral Resource").

The Unkur PEA is preliminary in nature and is based on Inferred Mineral Resources that are currently considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the Unkur PEA will be realized. There is no certainty that the Inferred Resources will be converted to the Indicated or Measured categories, or that the potential Indicated or Measured Resources would be converted to the Proven or Probable Mineral Reserve categories. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

The Unkur PEA was based on the 2018 Mineral Resource, which was largely the product of the first modern exploration campaign conducted at the Unkur Copper-Silver Project in 2016-2017. Azarga considers that there is strong potential to grow the 2018 Mineral Resource. Mineralization is open in both directions along strike and at depth. Azarga aims to substantially grow the mineral resource at Unkur, with a particular initial focus on the zone of thicker and higher grade mineralization in the northern part of the interpreted mineralized area. Increased Mineral Resources would be likely to increase the proposed mining inventory in any subsequent preliminary economic assessment.

Acquisition of Unkur Project

In May 2016, the Company purchased 60% of the outstanding shares of Azarga Metals Limited ("Azarga BVI"), a British Virgin Islands corporation. As consideration, the Company issued 15,776,181 common shares, agreed to pay deferred cash payments of US$1,680,000 (US$80,000 was settled through the issuance of 514,283 common shares in June 2017), and assumed the obligation to repay certain existing loans made by certain selling shareholders of Azarga BVI.

Azarga BVI indirectly holds the Unkur mineral exploration and exploitation license that is valid through December 31, 2039.

In March 2018, the Company acquired the remaining 40% outstanding shares of Azarga BVI. As consideration for the acquisition of the remaining 40% interest and the cancellation of the remaining $1,600,000 of deferred cash payments (as described above), the Company issued 42,000,000 common shares valued at $5,250,000.

The selling shareholders retain a 5% net smelter return ("NSR") royalty. The Company has the right to buy back up to 2% of the NSR royalty at a cost of US$5,000,000 per percentage point so that upon paying US$10,000,000 the NSR royalty will be reduced to 3%.

If at any time, a Resource (adding Measured, Indicated and Inferred of all combined deposits within the Unkur Project area) is estimated to contain copper and silver to the equivalent of two million tonnes or more of copper where Measured plus Indicated Resources comprise at least 70% of that estimate, taking the value of silver as copper equivalent (the "Bonus Payment Threshold"), an additional US$6,200,000 will be payable to the selling shareholders within 12 months' notice that the Bonus Payment Threshold has been met.

Kremnica Gold Project, Slovakia

The Company had a 2% NSR royalty on the first one million ounces of gold and silver produced and a 1% NSR royalty on the second one million ounces of gold and silver produced from the Kremnica Gold project in Slovakia, part of the Šturec Project, owned by Ortac Resources Limited (now Arc Minerals Limited ("Arc")). In addition, under the terms of a sale agreement with Arc, the Company would be paid US$15 per ounce in either shares of Arc or cash on the first 250,000 ounces of gold equivalent resource defined as proven and probable reserve in a bankable feasibility study which would be payable within 60 days of all required permits being obtained to allow commercial production at the Kremnica property (the "Deferred Payments").

In February 2018, the Company received $86,485 (£50,000) from Arc to cancel the NSR royalty and the Deferred Payments. Accordingly, the Company recorded a gain on sale of project interest of $86,485 on the statement of loss and comprehensive loss. In the event of a sale or disposal of the Kremnica project by Arc by January 29, 2019, Azarga will be entitled to 30% of the net proceeds received by Arc for such sale or disposal. To date, Arc has not sold the Kremnica project.

Chara-Aldan area of interest

As announced by the Company on January 22, 2018, the Company has signed an exclusive memorandum of understanding with the main vendors of the Unkur Copper-Silver Project for cooperation with respect to additional corporate development growth opportunities pertaining to copper and silver rich sediment-hosted projects in the broader Chara-Aldan area of eastern Russia where the Company's existing Unkur Copper-Silver Project is located.

Other

Azarga has continued to move forward a number of initiatives including: (a) engaging with a number of potential strategic partners at both the Unkur project and parent level; (b) re-interpretation of the results of the 2016-2017 exploration program to refine plans for upcoming physical exploration works; and (c) reviewing potentially attractive acquisitions in the broader Chara-Aldan region within which Unkur is situated.

Qualified Person

The Company's President and Chief Executive Officer, Dorian L. (Dusty) Nicol, B.Sc. Geo, MA Geo, a Qualified Person as defined by NI 43-101, has reviewed and approved the exploration information and resource disclosures contained in this MD&A.

Selected Annual Information

	Fiscal Year Ended September 30, 2018	Fiscal Year Ended September 30, 2017	Fiscal Year Ended September 30 2016
Statement of Loss:			
Net revenues	$Nil	$Nil	$Nil
Net loss	$(1,165,199)	$(2,574,518)	$(801,061)
Basic and diluted loss per share	$(0.02)	$(0.05)	$(0.04)
Financial Position:			
Total assets	$8,042,578	$2,794,911	$4,336,884
Long term debt	$992,505	$956,853	$1,039,504
Dividends	$Nil	$Nil	$Nil

Results of Operations – year ended September 30, 2018

The consolidated net loss for the year ended September 30, 2018 was $1,165,199 (2017 - $2,574,518).

The significant changes between the current year and the comparative year are discussed below.

Exploration and evaluation expenditures on the Unkur project for the year ended September 30, 2018 totalled $323,020 (2017 - $1,223,558). As described above, the Company completed the Unkur PEA on the Unkur Project in 2018 at an approximate cost of $200,000 with the remainder spent on personnel, administration and license payments.

Salaries and benefits totalled $195,639 (2017 - $381,918) for the year ended September 30, 2018 and is related to fees accrued to the Chief Executive Officer and Golden Oak (Golden Oak provides the services of a Chief Financial Officer, Corporate Secretary, and accounting and administrative staff). Effective September 1, 2017, the Chief Executive Officer and Golden Oak agreed to accept fees at half their previous rate.

Share-based compensation expense was $366,739 (2017 - $432,571) and relates primarily to stock options granted in January 2018.

Travel totalled $5,042 for the year ended September 30, 2018 down from $143,565 in the prior year. Travel in the prior year related to travel of the the Company's Chief Executive Officer which was curtailed in the current year due to a significant reduction in operations based on the Company's financial situation.

In February 2018, the Company received $86,485 (£50,000) to cancel the Kremnica NSR royalty and Deferred Payments and accordingly, recorded a gain on sale of project interest of $86,485.

During the year ended September 30, 2018, the Company accrued interest of $11,782 (2017 – $Nil) on the amounts advanced from shareholders by way of promissory notes and this amount remains unpaid. During the year ended September 30, 2018, the Company accrued interest of $118,106 (US$92,005) (2017 - $131,506 (US$96,981)) on shareholder loans and this amount remains unpaid.

Summary of Quarterly Results

	Three Months Ended September 30, 2018	Three Months Ended June 30, 2018	Three Months Ended March 31, 2018	Three Months Ended December 31, 2017
	$	$	$	$
Revenue	-	-	-	-
Net loss	(214,278)	(266,582)	(487,262)	(197,077)
Net loss per share, basic and diluted	(0.00)	(0.01)	(0.01)	(0.00)

	Three Months Ended September 30, 2017	Three Months Ended June 30, 2017	Three Months Ended March 31, 2017	Three Months Ended December 31, 2016
	$	$	$	$
Revenue	-	-	-	-
Net loss	(225,079)	(493,994)	(734,083)	(1,121,362)
Net loss per share, basic and diluted	(0.00)	(0.01)	(0.02)	(0.02)

Trends

The Company is an exploration company. At this time, issues of seasonality or market fluctuations have had a minor impact on the expenditure patterns. The Company expenses its exploration, project investigation and general and administration costs, and these amounts are included in the net income (loss) for each quarter. The Company's treasury, in part, determines the levels of exploration.

The level of the Company's exploration expenditures is largely determined by the strength of the resource capital and commodity markets and its ability to obtain investor support for its projects.

Liquidity and Capital Resources

Azarga began the fiscal year with $36,196 of cash. During the year ended September 30, 2018, the Company spent $330,982 on operating activities, net of working capital changes, received $56,485 from investing activities, and received $258,750 from shareholder loans to end at September 30, 2018 with $20,449 cash.

On December 6, 2017, the Company entered into a loan facility agreement with certain shareholders of the Company whereby the shareholders agreed to loan the Company up to $550,000. The advances are unsecured and bear interest at a rate of 10% per annum and all advances must be repaid by December 14, 2018 (subsequently extended to June 14, 2019). During the year ended September 30, 2018, the Company was advanced $258,750 and subsequent to September 30, 2018, the shareholders advanced an additional $208,650.

As at September 30, 2018, the Company had a working capital deficiency of $910,123. Subsequent to September 30, 2018, certain shareholders of the Company advanced $208,650 to the Company. However, additional funding will be required to provide the Company with sufficient financial resources to carry out future exploration and to maintain operations through the next twelve months. Accordingly, the Company will need to seek additional sources of financing to carry on future operations. While the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern.

Fourth Quarter

The Company began the fourth quarter with $3,729 of cash. During the fourth quarter, the Company spent $60,030 on operating activities, net of working capital changes, and received $76,750 from shareholder loans to end the quarter and the year with $20,449 cash.

Related Party Transactions

a) Consulting fees

During the year ended September 30, 2018, the Company accrued $50,000 (2017 - $95,833) of consulting fees to Golden Oak Corporate Services Ltd. ("Golden Oak"). Golden Oak is a consulting company controlled by the Corporate Secretary of the Company. Golden Oak provides the services of a Chief Financial Officer, Corporate Secretary, and accounting and administrative staff to the Company.

b) Compensation of key management personnel

Key management includes members of the Board of Directors, the Chief Executive Officer, the Chief Financial Officer, and the Corporate Secretary. The aggregate compensation paid or accrued to key management personnel, which includes the amounts disclosed above, during the years ended September 30, 2018 and 2017 were as follows:

	Year ended September 30,	
	2018	**2017**
Consulting fees *	$ 50,000	$ 95,833
Director fees *	-	36,667
Salaries and benefits	145,639	238,419
Share-based compensation	340,150	326,564
	$ 535,789	$ 697,483

* included in salaries and benefits on the statement of loss and comprehensive loss

c) Due to shareholders - current

			September 30, 2018		September 30, 2017
Related shareholders	Relationship				
Alexander Molyneux	Director	$	60,750	$	-
Eugene McCarthy	greater than 10% shareholder		19,500		-
Blake Steele	Director		13,500		-
OC Management Group Ltd.	Principal is a Director		67,500		-
Insignia Partners Limited	Principal is an Officer		67,500		-
			228,750		-
Non-related shareholder			30,000		-
Total		$	258,750	$	-

On December 6, 2017, the Company entered into a loan facility agreement with certain shareholders of the Company whereby the shareholders agreed to loan the Company up to $550,000. The advances bear interest at a rate of 10% per annum and all advances must be repaid by December 14, 2018 (subsequently amended to June 14, 2019). During the year ended September 30, 2018, the Company was advanced $258,750 and subsequent to September 30, 2018, the shareholders advanced an additional $208,650.

During the year ended September 30, 2018, the Company accrued interest of $11,782 (2017 – $NIL) on the amounts advanced and this amount is included in trade and other payables.

d) Due to shareholders – non-current

			September 30, 2018		September 30, 2017
Related shareholders	Relationship				
Alexander Molyneux	Director	$	315,072	$	303,754
Eugene McCarthy	greater than 10% shareholder		315,591		304,255
Blake Steele	Director		70,074		67,557
OC Management Group Ltd.	Principal is a Director		142,574		137,452
Insignia Partners Limited	Principal is an Officer		149,194		143,835
Total		$	992,505	$	956,853

On acquisition of the initial 60% interest in Azarga BVI, the Company assumed the obligation to repay certain existing loans made by certain of the selling shareholders of Azarga BVI. The amounts due are unsecured, bear interest at the rate of 12% per annum payable annually on each anniversary date and must be paid by May 31, 2023.

Accrued interest due to shareholders from June 1, 2016 to May 31, 2017 totalled $124,207 (US$92,005) and was fully settled in common shares of the Company in June 2017.

Accrued interest due to shareholders from June 1, 2017 to May 31, 2018 totalled $119,100 (US$92,005) and was not paid. Subsequent to September 30, 2018, the shareholders agreed to amend the repayment date of this interest to May 31, 2019.

As at September 30, 2018, the amount owing to shareholders was $992,505 (US$766,709) (2017 - $956,853 (US$766,709)) plus accrued interest of $158,910 (US$122,757) (2017 - $38,379 (US$30,752)) which is included in trade and other payables.

During the year ended September 30, 2018, the Company accrued interest of $118,106 (US$92,005) (2017 - $131,506 (US$96,981)) on the shareholder loans.

e) Trade and other payables due to related parties

	September 30, 2018	September 30, 2017
Director fees owing to a former director	$ 14,333	$ 14,333
Salaries and benefits owing to officers	184,595	30,716
Reimbursement of expenses owing to officers and directors	6,757	12,908
Total	$ 205,685	$ 57,957

Included in salaries and benefits payable is $118,970 (2017 - $17,591) owing to the Chief Executive Officer of the Company and $65,625 ($13,125) owing to Golden Oak.

f) Management Bonus

On July 8, 2016, the Board of Directors of the Company awarded a one-time bonus of 400,000 common shares to the Chief Executive Officer and 100,000 common shares to the Corporate Secretary. The shares were issued equally in three tranches beginning six months from the date of award. During the year ended September 30, 2018, the Company recorded $6,679 (2017 - $72,533) as share-based compensation with a credit to obligation to issue shares. During the year ended September 30, 2017, the Company settled the first two thirds of this obligation through the issue of 333,332 common shares valued at $73,334. During the year ended September 30, 2018, the Company settled the final third of this obligation by the issue of 166,668 common shares valued at $36,666.

g) Prepaid expense

Included in prepaid expenses as at September 30, 2018 was $3,235 (2017 – $Nil) related to payments made to the Chief Executive Officer for a health insurance reimbursement related to October 2018.

h) Shares for director and consulting fees

During the year ended December 31, 2017, the Company issued 256,673 common shares valued at $83,160 to settle consulting and director fees of $70,667 which had been recorded as an obligation to issue shares as at September 30, 2016. Accordingly, the Company recorded a loss on settlement of $12,493.

i) Shares for deferred payment

On June 7, 2017, the Company issued 514,283 common shares valued at $97,714 to settle the deferred payment of US$80,000.

Additional Disclosure for Venture Issuers without Significant Revenue

The components of exploration and evaluation assets are described in Note 8 to the Financial Report.

Outstanding Share Data as at the date of this MD&A

Authorized: an unlimited number of common shares without par value

	Common Shares Issued and Outstanding	Share Purchase Warrants	Stock Options
Balance September 30, 2018 and as at the date of this MD&A	90,398,472	-	4,770,000

Use of accounting estimates, judgments and assumptions

The preparation of the consolidated financial statements in conformity with IFRS requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

(i) Critical accounting estimates

Critical accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amount of assets and liabilities within the next financial year and are, but are not limited to, the following:

<u>Carrying value and recoverability of exploration and evaluation assets</u>

Management has determined that acquisition costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geologic and other technical information, scoping and feasibility studies, accessibility of facilities and existing permits.

<u>Share-based compensation</u>

The fair value of stock options issued are subject to the limitation of the Black-Scholes option pricing model which incorporates market data and which involves uncertainty and subjectivity in estimates used by management in the assumptions. Because the Black-Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of share price, changes in the subjective input assumptions can materially affect the fair value estimate.

<u>Recovery of deferred tax assets</u>

Judgment is required in determining whether deferred tax assets are recognized in the statement of financial position. Deferred tax assets, including those arising from unutilized tax losses, require management to assess the likelihood that the Company will generate taxable earnings in future periods, in order to utilize recognized deferred tax assets. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the date of the statement of financial position could be impacted.

Additionally, future changes in tax laws in the jurisdictions in which the Company operates could limit the ability of the Company to obtain tax deductions in future periods.

The Company has not recorded any deferred tax assets.

(i) Critical accounting judgments

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are, but are not limited to, the following:

Determination of functional currency

The functional currency for each of the Company's subsidiaries is the currency of the primary economic environment in which the entity operates. Management has determined that the functional currency of the parent Company as well as the functional currency of the Company's BVI, Cyprus, and Russian subsidiaries is the Canadian dollar. The functional currency of the Company's one dormant Slovakian subsidiary is the Euro.

New Accounting Standards

Refer to the discussion of "New standards, interpretations and amendments not yet effective" in Note 3 to the Financial Report. The Company has not applied any of the new and revised IFRS detailed therein, all of which have been issued but are not yet effective at the date of this MD&A.

Financial Instruments and Risk Management

Financial Instruments

Financial instruments are classified into one of the following categories: fair value through profit or loss; held-to-maturity investments; loans and receivables; available-for-sale; or other liabilities. The carrying values of the Company's financial instruments are classified into the following categories:

Financial Instruments	Category	September 30, 2018	September 30, 2017
Cash	FVTPL	$ 20,449	$ 36,196
Receivables	Loans and receivables	4,663	14,296
Trade and other payables	Other liabilities	681,834	180,109
Shareholder loan - current	Other liabilities	258,750	-
Shareholder loan - non-current	Other liabilities	992,505	956,853

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

Level 2 - Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the market place.

Level 3 - Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The recorded amounts for receivables and trade and other payables approximate their fair value due to their short-term nature. The fair value of cash is determined based on Level 1 of the fair value hierarchy. Amounts due to shareholders are measured using the effective interest method.

Risk Management

The Company's risk exposures and the impact on the Company's financial instruments are summarized as follows:

<u>Credit Risk</u>

Credit risk is the risk of potential loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets, including cash and receivables. The Company limits the exposure to credit risk in its cash by only investing its cash with high credit quality financial institutions in business and savings accounts and guaranteed investment certificates which are available on demand by the Company. The Company's receivables primarily include balances receivable from government agencies. The Company is exposed to some risk on amounts due from these government agencies; however, to date the Company has been successful on collecting on its receivables.

<u>Liquidity Risk</u>

Liquidity risk is the risk that the Company will not have the resources to meet its obligations as they fall due. The Company manages this risk by closely monitoring cash forecasts and managing resources to ensure that there is sufficient capital in order to meet short-term business requirements. The Company is exposed to liquidity risk.

<u>Market Risk</u>

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. These fluctuations may be significant.

(a) Interest Rate Risk: The Company is exposed to interest rate risk to the extent that its cash balances bear variable rates of interest. The interest rate on amounts due to shareholders is fixed. The interest rate risks on cash and amounts due to shareholders are not considered significant.

(b) Foreign Currency Risk: The Company expects to continue to raise equity predominately in Canadian dollars; however, transactions are transacted in Canadian dollars, US dollars, and Russian Rubles. As such, the Company is subject to fluctuations in the exchange rate between the Canadian dollar and the US dollar and Russian Ruble. As at September 30, 2018, the Company holds 60% of its cash in foreign currencies (Note 4). Management believes the foreign exchange risk related to currency conversions is minimal and therefore, does not hedge its foreign exchange risk. The effect of a 10% change in the foreign exchange rate on cash held in US dollars and Russian Rubles at September 30, 2018 would be approximately $1,000.

(c) Commodity Price Risk: While the value of the Company's exploration and evaluation assets is related to the price of copper and silver and the outlook for these minerals, the Company currently does not have any operating mines and hence does not have any hedging or other commodity-based risks in respect to its operational activities.

Historically, the price of copper and silver has fluctuated significantly and is affected by numerous factors outside of the Company's control, including but not limited to industrial and retail demand, central bank lending, forward sales by producers and speculators, levels of worldwide production, short-term changes in supply and demand because of speculative hedging activities, and certain other factors related specifically to copper and silver.

(d) Political Uncertainty: In conducting operations in Russia, the Company is subject to considerations and risks not typically associated with companies operating in North America. These include risks such as the political, economic and legal environments. Among other things, the Company's results may be adversely affected by changes in the political and social conditions in Russia and by changes in governmental policies with respect to mining laws and regulations, anti-inflationary measures, currency conversion and remittance abroad, and rates and methods of taxation.

Cautionary Note Regarding Forward-looking Statements

This MD&A may include or incorporate by reference certain statements or disclosures that constitute "forward-looking information" under applicable securities laws. All information, other than statements of historical fact, included or incorporated by reference in this MD&A that addresses activities, events or developments that Azarga or its management expects or anticipates will or may occur in the future constitute forward-looking information. Forward-looking information is provided through statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur or continue. These forward-looking statements are based on certain assumptions and analyses made by Azarga and its management in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors it believes are appropriate in the circumstances.

Although Azarga believes such forward-looking information and the expectations expressed in them are based on reasonable assumptions, investors are cautioned that any such information and statements are not guarantees of future realities and actual realities or developments may differ materially from those projected in forward-looking information and statements. Whether actual results will conform to the expectations of Azarga is subject to a number of risks and uncertainties, including those risk factors discussed under "Risk Management" in the above documents incorporated herein by reference. In particular, if any of the risk factors materialize, the expectations, and the predictions based on them, of Azarga may need to be re-evaluated. Consequently, all of the forward-looking information in this MD&A and the documents incorporated herein by reference is expressly qualified by these cautionary statements and other cautionary statements or factors contained herein or in documents incorporated by reference herein, and there can be no assurance that the actual results or developments anticipated by Azarga will be realized or, even if substantially realized, that they will have the expected consequences for Azarga.

Forward-looking statements are based on the beliefs, estimates and opinions of Azarga's management on the date the statements are made. Unless otherwise required by law, Azarga expressly disclaims any intention and assumes no obligation to update or revise any forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change, whether as a result of new information, future events or otherwise, and Azarga does not have any policies or procedures in place concerning the updating of forward-looking information other than those required under applicable securities laws. Accordingly, readers should not place undue reliance on forward-looking statements or forward-looking information.

Other Information

Additional information relating to the Company is available for viewing on SEDAR at www.sedar.com and at the Company's web site www.azargametals.com.