Management's Discussion and Analysis

The following discussion is management's assessment and analysis of the results and financial condition of BeMetals Corp. (formerly BQ Metals Corp.)(the "Company"), and should be read in conjunction with the accompanying unaudited condensed interim consolidated financial statements and related notes. The preparation of financial data is in accordance with International Accounting Standard 34 - Interim Financial Reporting ("IAS 34") using accounting policies consistent with International Financial Reporting Standards ("IFRS") and all figures are reported in Canadian dollars unless otherwise indicated. The effective date of this report is August 23, 2018.

Description of Business and Corporate Highlights

BeMetals Corp. is a base metals exploration company with rights to acquire up to a 72% interest in the Pangeni copper project (the "Pangeni Copper Project") in the Zambian Copperbelt (see 'Pangeni Copper Project' below). The Company's corporate strategy is to identify and evaluate other potential base metal projects for acquisition with the goal of becoming a significant base metals producer.

In February 2018, further to a November 2017 letter agreement, the Company confirmed the agreement (the "Agreement") with Copper Cross Zambia Limited and its parent company Manica Zambia Limited (together the "Vendor") for the right to acquire up to a 72% interest in the Pangeni Copper Project.

In July 2018, the Company completed its Qualifying Transaction whereby the Company has the right to acquire up to a 72% interest in the Pangeni Copper Project. In connection with the Qualifying Transaction, the Company closed a non-brokered private placement of 11,200,000 common shares at a price of $0.20 per share for gross proceeds of $2,240,000. Following the Qualifying Transaction, the board of directors remains comprised of John Wilton (President and CEO), Clive Johnson, Roger Richer, Tom Garagan, and Kristen Reinertson (CFO & Corporate Secretary).

Effective July 25, 2018, the Company's common shares are listed on the TSX Venture Exchange ("TSX-V") under the symbol 'BMET'.

Pangeni Copper Project

Terms of the Agreement

Pursuant to the Agreement, the Company can acquire an initial 67.5% interest in the Pangeni Copper Project by making cash payments of US$300,000 cash, issuing a total of 500,000 common shares, and expending US$2.5 million in exploration work, all prior to the second anniversary, and then completing a preliminary economic assessment and making a further cash payments of US$1,150,000, a portion of which may be paid in common shares at the option of the Company, prior to the fifth anniversary. The US$2.5 million to be spent on exploration work is an obligation under the agreement upon completion of the Qualifying Transaction and will be required to be satisfied by either expenditures on exploration activities or by cash payments to the Vendor. To date, US$37,192 has been spent on exploration, US$50,000 in cash payments and 100,000 shares issued.

Following acquisition of the initial 67.5% interest the Company can acquire an additional 4.5% interest by completing a feasibility study and making a further cash payment of US $750,000, a portion of which may be paid in common shares at the option of the Company.

At the commencement of the mine development phase, and following a feasibility study, a one-off milestone payment would be payable, based upon total proven and probable mineral reserves, as follows: US$2 million if less than 500 kilotonnes ("kt") contained copper, US$3 million if the contained copper is between 500 kt and 1,000kt, and US$6 million if greater than 1,000kt contained copper. Upon commencement of production, Pangeni Mineral Resources Limited is entitled to a 3% Net Smelter Royalty (which may be reduced to 1% following the royalty reduction payments by the Company, determined by an internationally recognised valuator, which is not to exceed US$3.3 million).

About the Project

The Pangeni Copper Project is located on the western extension of the Zambian Copperbelt, within the Lufilian Arc, underlain by Katangan Supergroup metasediments which are covered by a thin veneer of Kalahari sands. The Sentinel, open pit, Copper Mine is operated by First Quantum Minerals some 130 kilometres to the northeast of the Pangeni Copper Project. A number of other major international mining companies have identified this region of the Zambian Copperbelt to be prospective for the discovery of tier one copper mines and are conducting exploration field work.

An independent technical report (the "Technical Report") has been completed by African Mining Consultants Limited in accordance with the requirements of National Instrument 43-101 and filed under the Company's issuer profile on SEDAR at www.sedar.com. The Technical Report concludes the property remains at an early exploration stage with only five boreholes having been completed to date (three boreholes at the Central Target and two at the Southwest Target). All five holes intersected hypogene copper mineralisation. The most significant intersections included borehole CT1: 6.1m @ 0.34%TCu (from 39m depth) and borehole SW1: 5.5m @ 0.48%TCu (from 142.5m depth). At the Central Target the drilling results indicate there is associated anomalous cobalt with the copper intersections, CT1 returning: 6.1m @ 320ppm Co (for the same copper intersection as quoted above). These boreholes results provide encouraging proof of concept for the geological models generated for the property, and support the strategy for further exploration.

The Pangeni Copper Project property is geologically prospective for the following deposit types; Basement-hosted Cu (analogues: the Lumwana Deposit, Nyungu Prospect), Sediment-hosted stratiform Cu-Co (analogues: Nchanga, Konkola, Nkana, and Mufulira Deposits), the Domes Region Deposits e.g. Sentinel, and Kansanshi and DRC Copperbelt Deposits e.g. Lonshi, Frontier, Kamoa-Kakula).

The next phase of exploration work will include the drilling of air-core boreholes (approximately 40-50m deep) (the "Phase 1 Exploration Work") to test for potential, geochemical anomalies, associated with mineralised extensions to the Central and Southwest Targets, under Kalahari Group cover units. In addition initial priority targets, identified during previous exploration programs, are to be tested. An orientation air-core program will be completed to test the applicability of this technique in this specific area. This program will total approximately 2,400m of air-core drilling. Based upon an assessment of applicability of this drilling method in the area, and results from the air-core geochemical sampling further exploration will be motivated as appropriate.

Outlook

In early September 2018, the Company plans to commence the Phase 1 Exploration Work at the Pangeni Copper Project, led by CEO and President John Wilton and in partnership with the other stakeholders in the Pangeni Copper Project – Copper Cross Zambia Limited and Pangeni Mineral Resources Limited.

The Company also continues to aggressively identify and evaluate other potential opportunities as part of its growth strategy, with the goal of becoming a significant base metals producer through the acquisition of quality exploration, development and production stage base metal projects. This strategy is directed by the Board, key members of which have an extensive, proven track record in delivering considerable value in the mining sector through the discovery and building of mines.

Overall Performance and Results of Operations

Total assets increased to $192,824 at June 30, 2018, from $148,999 at December 31, 2017. The most significant assets at June 30, 2018, were cash of $74,314 (December 31, 2017: $105,869), amounts receivable of $6,606 (December 31, 2017: $43,130), and exploration and evaluation assets of $110,654 (December 31, 2017: $nil). The decrease in cash was due to $20,901 used in operating activities and $110,654 used in investing activities, partially offset by $100,000 in financing activities.

During the six months ended June 30, 2018, the Company entered into an agreement to acquire up to a 72% interest in the Pangeni Project. During the year ended December 31, 2017, the Company entered into an agreement to acquire an operating mine with a development asset (the "Europe Project") and subsequently a number of conditions to closing were not met and the Company elected to terminate the transaction.

Three months ended June 30, 2018 and 2017

Net loss and comprehensive loss for the three months ended June 30, 2018, decreased by $839,538 from $1,157,423 for the three months ended June 30, 2017, to $317,885 for the three months ended June 30, 2018. The decrease in net loss and comprehensive loss is largely due to:

- A decrease of $335,817 in consulting fees. Consulting fees were $30,000 for the three months ended June 30, 2018, compared to $365,817 for the three months ended June 30, 2017. This was due to higher consulting fees in the prior period, mainly relating to the Europe Project.

- A decrease of $597,924 in professional fees. Professional fees were $145,404 for the three months ended June 30, 2018, compared to $743,328 for the three months ended June 30, 2017. This was due to higher professional fees in the prior period, mainly relating to the Europe Project.

The decrease in net loss and comprehensive loss was partially offset by:

- An increase of $59,869 in share-based compensation. Share-based compensation was $59,869 for the three months ended June 30, 2018, which was the fair value of options vested during the period, as compared to $nil for the three months ended June 30, 2017.

Six months ended June 30, 2018 and 2017

Net loss and comprehensive loss for the six months ended June 30, 2018, decreased by $1,175,604 from $1,668,573 for the six months ended June 30, 2017, to $492,969 for the six months ended June 30, 2018. The decrease in net loss and comprehensive loss is largely due to:

- A decrease of $540,439 in consulting fees. Consulting fees were $60,000 for the six months ended June 30, 2018, compared to $600,439 for the six months ended June 30, 2017. This was due to higher consulting fees in the prior period, mainly relating to the Europe Project.

- A decrease of $797,938 in professional fees. Professional fees were $181,251 for the six months ended June 30, 2018, compared to $979,189 for the six months ended June 30, 2017. This was due to higher professional fees in the prior period, mainly relating to the Europe Project.

The decrease in net loss and comprehensive loss was partially offset by:

- An increase of $122,013 in share-based compensation. Share-based compensation was $122,013 for the six months ended June 30, 2018, which was the fair value of options vested during the period, as compared to $nil for the six months ended June 30, 2017.

Liquidity and Capital Resources

As at June 30, 2018, the Company had a working capital deficit of $515,797. The Company does not currently have a recurring source of revenue. In July 2018, the Company closed an equity financing for gross proceeds of $2,240,000. The Company has sufficient funds to cover its budgeted expenditures for the next twelve months, however it will need to raise additional funds to meet its long-term commitments and growth strategy. Although 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 that are acceptable to the Company. The uncertainty of the Company's success in raising additional capital funding casts significant doubt on the Company's ability to continue as a going concern.

The Company has no bank debt or banking credit facilities in place.

Summary of Quarterly Results

	Three months ended June 30, 2018	Three months ended March 31, 2018	Three months ended December 31, 2017	Three months ended September 30, 2017
Revenue	$ -	$ -	$ -	$ -
Net loss and comprehensive loss	(317,885)	(175,084)	(81,099)	(38,118)
Basic and diluted loss per share	(0.01)	(0.00)	(0.00)	(0.00)

	Three months ended June 30, 2017	Three months ended March 31, 2017	Two-month period ended December 31, 2016	Three months ended October 31, 2016
Revenue	$ -	$ -	$ -	$ -
Net loss and comprehensive loss	(1,157,423)	(511,150)	(181,729)	(34,167)
Basic and diluted loss per share	(0.02)	(0.01)	(0.01)	(0.00)

The increase in net loss and comprehensive loss for the three months ended June 30, 2018, and March 31, 2018, was primarily the result of share-based compensation. The increase in net loss and comprehensive loss for the three months ended June 30, 2017, and March 31, 2017, was primarily the result of increased consulting expenses and legal fees relating to the Europe Project.

Outstanding Share Data

In July 2018, the Company closed a non-brokered private placement of 11,200,000 common shares at a price of $0.20 for gross proceeds of $2,240,000.

In July 2018, the Company issued 100,000 common shares to the Vendor.

In July 2018, pursuant to completion of the Qualifying Transaction, an additional 11,430,002 shares were placed in to escrow.

In July 2018, pursuant to the satisfaction of certain terms under the escrow agreement, the Company released 1,553,858 shares from escrow.

As at the date of this report, there were 68,098,577 common shares issued and outstanding, of which 13,984,716 shares remain in escrow.

In February 2018, the Company granted 2,250,000 share options to a director, exercisable at a price of $0.24 per share until February 27, 2028, vesting over a period of three years.

As at the date of this report, there were 5,520,000 share options outstanding.

Related Party Transactions

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers.

During the six months ended June 30, 2018, key management personnel compensation, including directors and officers, was comprised of $213,683 (six months ended June 30, 2017: $nil), $122,013 of which related to share options granted to an officer of the Company and $91,670 of which was management fees to the Chief Executive Officer of the Company.

As at June 30, 2018, $68,380 (December 31, 2017: $nil) was due to the Chief Executive Officer of the Company and is included in trade and other payables in the statement of financial position.

Critical Accounting Policies and Estimates

The Company has prepared the accompanying financial statements in accordance with IFRS. Significant accounting policies are described in Note 3 of the Company's financial statements as at and for the year ended December 31, 2017, except for newly adopted accounting policies as noted below.

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates.

Adoption of new accounting policies

Effective January 1, 2018, the following standards were adopted but have had no material impact on the financial statements:

- IFRS 9: New standard that replaced IAS 39 for classification and measurement of financial assets, which is effective for annual periods beginning on or after January 1, 2018. Adoption of this standard did not have a significant measurement impact on the Company's consolidated financial statements.

Exploration and Evaluation Assets

The Company defers the cost of acquiring, maintaining its interest, exploring and developing mineral properties as exploration and evaluation until the properties are placed in production, abandoned, sold or considered to be impaired in value. Once the technical feasibility and commercial viability of the extraction of mineral reserves or resources from a particular mineral property has been determined, exploration and evaluation expenditures are

reclassified to "mineral properties and mine development costs". If no mineable ore body is discovered, such costs are expensed in the period in which it is determined the property has no future economic value. Exploration costs that do not relate to any specific property are expensed as incurred.

The establishment of technical feasibility and commercial viability of a mineral property is assessed based on a combination of factors, such as but not limited to:

- The extent to which mineral reserves or mineral resources have been identified through a feasibility study or similar level document;
- The results of optimization studies and further technical evaluation carried out to mitigate project risks identified in the feasibility study;
- The status of environmental permits; and
- The status of mining leases or permits.

In addition, commercial viability is deemed to be achieved when the Company determines that the project will provide a satisfactory return relative to its perceived risks. Ore reserves and resources may be declared for an undeveloped mining project before its commercial viability has been fully determined. Evaluation costs may continue to be capitalized during the period between declaration of reserves and approval to mine as further work is undertaken in order to refine the development case to maximize the project's returns.

Financial Instruments and Financial Risk Management

The Company is exposed in varying degrees to a variety of financial instrument related risks. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk

Credit risk arises from the potential for non-performance by counterparties of contractual financial obligations. The Company's exposure to credit risk is on its cash and amounts receivable. The Company reduces its credit risk by maintaining its bank accounts at a large international financial institution. The maximum exposure to credit risk is equal to the carrying value of these financial assets.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company attempts to ensure there is sufficient access to funds to meet on-going business requirements, taking into account its current cash position and potential funding sources. As at June 30, 2018, the Company had liabilities of $597,967 and a working capital deficit of $515,797. However, subsequent to June 30, 2018, the Company raised $2,240,000 and is in the process of settling its outstanding payables.

Foreign exchange risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the Company's functional currency. The Company's reporting currency is the Canadian dollar and major purchases are transacted in Canadian and US dollars. A portion of the Company's exploration and evaluation expenditures are incurred in Zambia, but are predominantly transacted in US dollars. The Company maintains Canadian and US dollar bank accounts in Canada. The Company is subject to gains and losses from fluctuations in the US dollar against the Canadian dollar.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk relates to its ability to earn interest income on cash balances at variable rates. Changes in short term interest rates will not have a significant effect on the fair value of the Company's cash account.

Risks and Uncertainties

The risk factors described below summarize and supplement the risk factors contained in the Company's filing statement dated July 18, 2018, (the "Filing Statement") and available on SEDAR at www.sedar.com, and should be read in conjunction with the more detailed risk factors outlined in the Filing Statement:

The Company is engaged in the acquisition and exploration of natural resource properties, an inherently risky business, and there is no assurance that economically recoverable resources will ever be discovered and subsequently put into production. Most exploration projects do not result in the discovery of economically recoverable resources. Exploration activities require large amounts of capital. There is a risk that during the current difficult economic situation the Company will not be able to raise sufficient funds to finance its projects to a successful development and production stage.

While the Company's management and technical team carefully evaluate all potential projects prior to committing the Company's participation and funds, there is a high degree of risk that the Company's exploration efforts will not result in discovering economically recoverable resources.

The Company depends on the business and technical expertise of its management team and there is little possibility that this dependence will decrease in the near term.

Management's Report on Internal Control over Financial Reporting

In connection with National Instrument ("NI") 52-109 (Certification of Disclosure in Issuer's Annual and Interim Filings) adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited condensed interim consolidated financial statements and the audited annual consolidated financial statements and respective accompanying Management's Discussion and Analysis.

The Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

Additional information relating to the Company is available on SEDAR at www.sedar.com.

Qualified Person

The technical information included in this MD&A has been reviewed and approved by John Wilton, Pr. Sci. Nat., the Company's CEO and President and a "Qualified Person" as defined by National Instrument 43-101 standards.

Caution Regarding Forward Looking Information

This Management Discussion and Analysis may contain certain "forward-looking statements" within the meaning of Canadian securities legislation. Forward-looking statements are statements that are not historical facts; they involve predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "aims", "potential", "goal", "objective", "prospective", and similar expressions, or that events or conditions "will", "would", "may", "can", "could" or "should" occur. Forward-looking statements are based on the beliefs, estimates and opinions of the Company's management on the date the statements are made and they include a number of known and unknown risks and uncertainties and other factors. Consequently, there can be no assurances that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements.

The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

Forward looking information	**Assumptions**	**Risk Factors**
The Company's anticipated plans, costs, timing and capital for future development of the Company's mineral exploration properties.	Financing will be available for future exploration and development of the Company's properties; the actual results of the Company's exploration and development activities will be favourable; exploration and development costs will not exceed the Company's expectations; the Company will be able to retain and attract skilled staff, all requisite regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to the Company, and applicable political and economic conditions are favourable to the Company; the price of precious and base metals and applicable interest and exchange rates will be favourable to the Company; no title disputes exist with respect to the Company's properties.	Precious and base metals price volatility; uncertainties involved in interpreting geological data and confirming title to acquired properties; the possibility that future exploration results will not be consistent with the Company's expectations; availability of financing for and actual results of the Company's exploration and development activities; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic and political conditions; the Company's ability to retain and attract skilled staff.
The Company's ability to carry out anticipated exploration on its mineral exploration properties	The operating and exploration activities of the Company for the next twelve months and the costs associated therewith, will be consistent with the Company's current expectations; debt and equity markets, exchange and interest rates and other applicable economic conditions are favourable to the Company.	Changes in debt and equity markets; timing and availability of external financing on acceptable terms; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic conditions.
Plans, costs, timing and capital for future exploration and development of the Company's property interests, including the costs and potential impact of complying with existing and proposed laws and regulations	Financing will be available for the Company's exploration and development activities and the results thereof will be favourable; actual operating and exploration costs will be consistent with the Company's current expectations; the Company will be able to retain and attract skilled staff; all applicable regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to the Company' the Company will not be adversely affected by market competition; debt and equity markets, exchange and interest rates and other applicable economic and political conditions are favourable to the Company' the price of precious and base metals will be favourable to the Company; no title disputes exist with respect to the Company's properties.	Precious and base metals price volatility, changes in debt and equity markets; timing and availability of external financing on acceptable terms; the uncertainties involved in interpreting geological data and confirming title to acquired properties; the possibility that future exploration results will not be consistent with the Company's expectations; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic and political conditions; the Company's ability to retain and attract skilled staff.

Forward looking information	Assumptions	Risk Factors
Management's outlook regarding future trends	Financing will be available for the Company's exploration and operating activities; the price of precious and base metals will be favourable to the Company; required regulatory approvals for the acquisition of mineral properties will be received.	Precious and base metals price volatility; changes in debt and equity markets; interest rate and exchange rate fluctuations; changes in economic and political conditions.

Inherent in forward looking statements are risks, uncertainties and other factors beyond the control of the Company's ability to predict or control. Please make reference to those risk factors referenced in the "risk factors" section above and as discussed in greater detail in the Company's various filings on SEDAR (www.sedar.com) with Canadian Securities Regulators. Readers are cautioned that the above chart does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking statements, and that the assumptions underlying such statements may prove to be incorrect. Actual results and development are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements outlined in this MD&A.

Forward-looking statements include known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by the cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise review any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.