KAINANTU

KAINANTU RESOURCES LTD.

(formerly PLB CAPITAL CORP.)

(A Capital Pool Company)

Management's Discussion and Analysis

For the period years ended November 30, 2020 and 2019

General

The following Management's Discussion and Analysis ("MD&A") of Kainantu Resources Ltd. (previously named PLB Capital Corp.) ("the Company"), is intended to help the reader understand the audited financial statements for the years ended November 30, 2020 and 2019 and is prepared by management using information available as of March 29, 2021. The MD&A has been prepared in accordance with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations of the Canadian Securities Administrators ("NI 51-102").

The MD&A should be read in conjunction with the audited financial statements and the related notes contained therein which have been prepared under International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The information contained herein is intended to provide investors with a reasonable basis for assessing the financial position and performance of the Company, but not as a substitute for detailed investigation or analysis on any particular issue. The information provided in this document is not intended to be a comprehensive review of all matters and developments concerning the Company.

All dollar amounts in this MD&A are quoted in Canadian dollars ("CAD"), the reporting and functional currency of the Company, unless specifically noted.

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures, and internal controls and to ensure that information used internally or disclosed externally, including the financial statements and MD&A, is complete and reliable.

The Board of Directors of the Company (the "Board") have implemented recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The Board's audit committee meets with management regularly to review the financial statements including the MD&A and to discuss other financial, operating and internal control matters.

This MD&A was reviewed by the audit committee and approved and authorized for issue by the Board on March 29, 2021. The information contained within this MD&A is current to March 29, 2021.

Forward Looking Statements

Certain statements contained in this MD&A may constitute forward-looking statements. These forward-looking statements can generally be identified as such because of the context of the statements, including such words as "believes", "anticipates", "expects", "plans", "may", "estimates", or words of a similar nature. All statements, other than statements of historical fact, included herein including, without limitation; statements about the size and timing of future exploration on and the development of the Company's properties are forward-looking statements.

Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Company to be materially different from anticipated future results and/or achievements expressed or implied by such forward-looking statements, which speak only as of the date the statements were made. Readers are therefore advised to consider the risks associated with any such forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements considering the risks set forth herein.

Forward-looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable securities laws. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from our expectations are disclosed in the Company's documents filed from time to time via SEDAR with the Canadian regulatory agencies to whose policies the Company is bound. Investors are cautioned against attributing undue certainty to forward-looking statements.

The users of this information, including but not limited to investors and prospective investors, should read it in conjunction with all other disclosure documents provided including but not limited to all documents filed on SEDAR (www.sedar.com).

Description of Business and Overview

The Company was incorporated under the Business Corporations Act (British Columbia) on July 4, 2018 and was a Capital Pool Company under the policies of the TSX Venture Exchange (the "TSX-V").

On March 14, 2019, the Company closed its initial public offering of 2,000,000 common shares issued at a price of $0.10 per share. As a result of this issuance, the Company had 4,000,000 shares issued and outstanding of which 2,000,000 shares were placed in escrow.

The principal business of the Company was the identification and evaluation of assets or businesses with a view to completing a "Qualifying Transaction" as it is defined in the policies of the TSX-V.

On April 27, 2020, the Company announced that it had entered into a binding letter of intent with Kainantu Resources Limited ("Kainantu") to acquire all of the issued and outstanding securities of Kainantu. On June 16, 2020 the Company, announced the signing of a binding definitive share exchange agreement to acquire Kainantu. The Company, Kainantu, and the shareholders of Kainantu executed a second amendment to the definitive agreement on October 7, 2020. Pursuant to the agreement all of the shares in Kainantu would be acquired in exchange for the issuance of an aggregate of 20,000,000 common shares of the Company (the "Transaction"). Kainantu would raise aggregate gross proceeds of not less than $3,000,000 through the issuance of a minimum of 15,000,000 units pursuant to a non-brokered private placement.

On November 23, 2020, the Company changed its name to Kainantu Resources Ltd. and on December 3, announced that it had completed its acquisition of all of the issued and outstanding shares of Kainantu (the "Transaction"). The Transaction constitutes the Company's Qualifying Transaction as such term is defined in Policy 2.4 - Capital Pool Companies of the TSX-V.

Transaction Summary

Pursuant to the Transaction, the Company issued an aggregate of 20,000,000 Company Shares to the founding holders of common shares of Kainantu ("Kainantu Shares") on the basis of one Company Share for each Kainantu Share at price of $0.20 per Kainantu Share. In addition, the Company will issue 5,000,000 common shares to the founding holders of Kainantu, pro rata in accordance with their holdings of Kainantu Shares, as additional consideration at such time as the Company has established and completed a technical report in compliance with National Instrument 43-101 - Standards of

Disclosure for Mineral Projects ("NI 43-101") supporting an inferred resource (as such term is defined in NI 43-101).

Concurrent Financing

In connection with the Transaction, an aggregate of 20,500,000 units (each a "Kainantu Unit") of Kainantu were issued pursuant to a non-brokered private placement (the "Financing") at a price of $0.20 per Kainantu Unit for total gross proceeds of $4,100,000. On conversion, each Kainantu Unit consisted of one Kainantu Share and one half of a share purchase warrant (each whole warrant, a "Kainantu Warrant"). Each Kainantu Warrant was to be exercisable at a price of $0.40 per Kainantu Share until December 3, 2023, subject to accelerated expiry. In connection with the Transaction, each Kainantu Unit was exchanged for units of the Company ("Unit") on a one for one basis and on the same terms and conditions.

Board and Management Changes

Concurrent with closing of the Transaction, Michael Butler and Giuseppe (Pino) Perone have resigned as directors of the Company, and Marcus Engelbrecht (Chairman), Matthew Salthouse, and Geoff Lawrence have been appointed as directors of the Company, to serve with David Loretto. Matthew Salthouse has been appointed Chief Executive Officer, Bart Lendrum has been appointed Chief Financial Officer, and Giuseppe (Pino) Perone will remain as Corporate Secretary of the Company.

The head office, principal and registered address and records office of the Company are located at 2900 - 550 Burrard Street, Vancouver, British Columbia V6C 0A3.

Mineral Properties

Kainantu Project, Kainantu District Eastern Highlands, PNG

The Project is 100% owned and includes six gold tenements located in the Kainantu region of PNG. The gold tenements consist of mineral claims totalling ~726 km² proximal or covering historic and current gold-copper mineral occurrences. The Kainantu region is located in the north eastern flank of the Papuan Mobile Belt. The project includes a north-northeast trending transfer structure, with associated mineralization, with alteration and porphyry complexes aligned along it.

After being awarded the exploration licenses in August 2018, PEC completed initial site visits and commenced community engagement including baseline community studies and basic community health, nutrition and infrastructure support.

PEC conducted exploration activities in 2019 with the majority of exploration tasks to date focussed on preparation and implementation of the initial reconnaissance survey, sample collection and mapping program. Follow-up surveys and expansion of the exploration area have since occurred in addition to continual engagement with the local people.

In 2019, historic data analysis, sampling work and field observations concentrated on identifying various types of mineralization, including epithermal vein structures centred around Tirokave, multiple skarn deposits west of Tirokave and porphyry mineralization to the south and north of the tenement. Analysis of outcomes then provided the basis for the H1 2020 program, which focused on further sampling in the most prospective areas for early stage drilling and potential for resource definition. A key outcome of this program was the delineation of various ring features in EL 2559 (and surrounding areas) indicating shallow buried to emergent mineralising igneous complexes, in particular in the Tirokave, Tebeo and Irafo areas (with all being north trending and intersecting the Kainantu transfer structure). The identification of these features supports the H2 2020 ridge and spur programme, with intensive sampling to occur in the Tirokave area ahead of trenching and the development of a drilling programme.

While highly prospective, these mineral claims are early-stage exploration properties with limited historical exploration.

Summary of Financial Results

For the year ended November 30, 2020, the Company was operating a business with limited transactions primarily related to the identification and evaluation of assets and businesses for Qualifying Transaction purposes.

Results for year ended November 30, 2020

For the year ended November 30, 2020, the Company recorded a net loss of $84,892 (2019 $73,427). The increase in the net loss of $11,465 is attributed to the following:

- Audit and Accounting fees increased to $16,250 from $7,200 due to increased activity in preparation and for costs associated with the qualifying transaction;
- Legal Fees increased to $43,935 from the prior year $13,999 due to increased activity in preparation and for costs associated with the qualifying transaction;
- Transfer and filing fees increased to $23,053 from $11,100 with increased exchange and registry fees during the year; and
- Share based compensation reduced to $nil from the prior year $29,800 with no additional stock options being granted and vested in the year.

Selected Financial Information

The following is a summary of selected financial information for the most recent quarter, prior period comparison and two fiscal periods.

		Three months ended November 30, 2020		Three months ended August 31, 2020		Year ended November 30, 2020		Year ended November 30, 2019
Total revenues	$	Nil	$	Nil	$	Nil	$	Nil
Loss for the period		(50,322)		(12,443)		(84,892)		(73,427)
Total Assets		164,333		168,871		164,333		203,404
Total Liabilities	$	45,821	$	37	$	45,821	$	Nil

The Company has not generated revenues to date, with total assets decreasing $39,071 during the year due to expenses incurred and liabilities increasing to $45,821 as a result of costs associated with the qualifying transaction.

Summary of Quarterly Financial Information

		Quarter ended November 30, 2020	Quarter ended August 31, 2020	Quarter ended May 31, 2020	Quarter ended February 28, 2020
Total revenues	$	Nil	Nil	Nil	Nil
Loss for the period		(50,322)	(12,443)	(16,909)	(5,218)
Total Assets		164,333	168,871	181,555	203,646

Total Liabilities	$	45,821	37	278	5,460

		Quarter ended November 30, 2019	Quarter ended August 31, 2019	Quarter ended May 31, 2019	Quarter ended February 28, 2019
Total revenues	$	Nil	Nil	Nil	Nil
Loss for the period		9,087	(4,046)	(60,043)	(18,425)
Total Assets		203,404	203,895	212,534	71,611
Total Liabilities	$	Nil	1,707	6,300	8,350

Shares on Issue

As at November 30, 2020, 4,000,000 common shares were issued and outstanding, 400,000 stock options and 100,000 warrants outstanding.

As at the MD&A date after completion of the Transaction there were 45,172,400 common shares issued and outstanding, 4,371,667 stock options and 12,226,900 warrants outstanding.

Liquidity and Capitalization

Working Capital

At November 30, 2020, cash was $162,716 (November 30, 2019 - $201,060) with short term liabilities of $45,821.

The Company has been reliant on financial assistance from equity financing. With completion of the Financing on December 3, 2020 the Company will gain access to an additional $4,100,000, which is expected to provide sufficient working capital to fund the planned exploration program and other operating costs.

As of the date of this MD&A, the Company has no other outstanding commitments. The Company has not pledged any of its assets as security for loans, or otherwise and is not subject to any debt covenants.

Long-Term Liabilities

The Company had no long-term liabilities as at November 30, 2020 or 2019.

Off Balance Sheet Arrangements

The Company has no undisclosed off-balance sheet arrangements or off-balance sheet financing structures in place.

Significant Accounting Policies and Critical Estimates

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, and contingent liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Note 4 to the financial statements discusses these critical accounting policies.

Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of a financial instrument.

At initial recognition, financial assets are measured at fair value and classified as subsequently measured at amortized cost, fair value through other comprehensive income ("FVTOCI") or fair value through profit or loss ("FVTPL"). At initial recognition, financial liabilities are measured at fair value and classified as, subject to certain exceptions, subsequently measured at amortized cost. For financial assets and financial liabilities not at FVTPL, fair value is adjusted for transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in the statement of loss and comprehensive loss.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL: (i) it is held within a business model whose objective is to hold assets to collect contractual cash flows, and (ii) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at FVTOCI if it meets both of the following conditions and is not designated as at FVTPL: (i) it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and (ii) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Risks and Uncertainties

Following completion of the Transaction, the Company's operations will involve mineral exploration and evaluation and there is no guarantee that any such activity will result in commercial production of deposits. Mineral exploration involves substantial expenses and a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to adequately mitigate. Examples of these risks include, but are not limited to:

Credit risk

Credit risk is the risk of financial loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company holds no operational bank accounts; accordingly, is not subject to credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity risk is to provide reasonable assurance that it will have sufficient funds to meet liabilities when due by forecasting cash flows for operations, anticipated investing and financing activities, and through management of its capital structure. As at November 30, 2020 the Company's financial liabilities include accounts payable and accrued liabilities of $45,821 all of which are due within twelve months.

Market risk

Market risk is the risk that changes in market prices, such as equity prices and foreign exchange rates will affect the Group's profit or loss or the value of its financial instruments.

Foreign currency risk

The Company operates in Papua New Guinea and Singapore and is exposed to risk from changes in the US dollar, Singapore dollar and the PNG Kina.

Foreign currency risk is the risk that the Company's financial performance will be affected by fluctuations in the exchange rates between currencies. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when expenses are denominated in currencies other than the respective functional currencies). The Company manages this foreign currency risk by matching payments in the same currency and monitoring movements in exchange rates.

Subsequent Events

The Transaction and Financing were completed on December 3, 2020 and admitted for listing on the TSX-V under the symbol "KRL".