Group Eleven Resources Corp.

Management Discussion and Analysis
For the Three Months Ended March 31, 2020

The following Management's Discussion and Analysis ("MD&A") of the financial condition and results of operations of Group Eleven Resources Corp. ("Group Eleven" or "the Company") constitutes management's review of the factors that affected the Company's financial and operating performance for the three months ended March 31, 2020. The MD&A was prepared as of May 29, 2020 and should be read in conjunction with the Company's condensed consolidated interim financial statements ("Financial Statements") and related notes for the three months ended March 31, 2020 and 2019, the annual audited Consolidated Financial Statements for the years ended December 31, 2019 and 2018, which were prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), as well as the annual MD&As for the years ended December 31, 2019 and 2018. The Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). Throughout this MD&A, the reporting periods for the three months ended March 31, 2020 and 2019 are abbreviated as Q1 2020 and Q1 2019, respectively. Similarly, the three months ended December 31, 2019 is abbreviated as Q4 2019.

Overview

Group Eleven is an emerging zinc exploration and development company, focused on resource expansion and drill target testing to discover Ireland's next major zinc deposit. The Company holds 84 licences in Ireland, comprising over 2,712 square km in four main properties which are highly prospective for Irish Type zinc-lead mineralization. Ireland ranks as one of the largest zinc producers in Europe and is host to some of the world's largest zinc deposits.

2020 Highlights

- During March 2020, in response to the increased risk of COVID-19 outbreak within Ireland and the rest of the world, the Company implemented a work from home policy for all corporate and field personnel. The government of Ireland also implemented a shutdown of all non-essential work in the country which has been extended until May 18, 2020, after which a phased return to work can take effect. Fieldwork, including drilling on the Company's PGW project, is expected to resume after May 18th.
- During the first quarter of 2020 the Company finalized drilling results from the 60% owned Ballinalack Zinc Project. The results showed intersections of shallow and thick zones of strongly anomalous zinc and lead mineralization within the Navan Beds, located approximately five kilometres along trend from the existing Ballinalack resource. Strongly anomalous zinc-lead mineralization was also intersected in the Navan Beds directly below the Ballinalack deposit, with highlights including 22.30 metres of 0.40% zinc ("Zn") and 0.08% lead ("Pb"), including 7.5 metres of 0.76% Zn and 0.19% Pb).
- In addition to the zinc and lead results above, the drilling intersected a sulphide-bearing mafic dyke with anomalous platinum-group metals ("PGMs"), including platinum, palladium, rhodium) and gold, along with highly anomalous copper, nickel and cobalt. Three holes near the current Ballinalack resource pierced the dyke over a 400 metre strike-length, appearing to extend at least 3 kilometres by 7 kilometres based on drilling and seismic data.

Report on Operations

During Q1 2020, the Company finalized the assay results from drilling at the Ballinalack project completed in Q4 2019, a total of 2,124 metres over 5 drill holes. These results identified a new zinc target at Ballycorkey with geological attributes similar to nearby zinc deposits at Navan and Ballinalack.

Property Summary

Stonepark Project (Limerick Region)

The Stonepark project ("Stonepark") holds six prospecting licences ("PLs") covering an area of 183.5 square kilometres and hosting three main zones of known mineralization, Stonepark North, Stonepark and Stonepark West, located west of Glencore's Pallas Green deposit. The Company holds a 76.56% interest in TILZ Minerals Ltd. ("TILZ"), the legal entity that holds the licences comprising Stonepark. The remaining 23.44% equity interest in TILZ is held by Arkle Resources PLC ("Arkle", formerly known as Connemara Mining Company plc), an Ireland-based company focused on zinc and gold exploration. The interest in TILZ is consolidated, with the acquisition value of the project reflected in exploration and evaluation assets and ongoing exploration costs reflected as expenses on the income statement. The carrying value ascribed to Arkle's 23.44% interest in TILZ is captured as non-controlling Interest in the Financial Statements.

In 2018, the Company completed a maiden Mineral Resource Estimate ("MRE") for Stonepark of 5.1 million tonnes grading 11.3% zinc and lead combined (8.7% zinc and 2.6% lead) in the Inferred Mineral Resource category. The deposit is relatively shallow (occurring at depths ranging from 190 metres to 395 metres) and consists of flat-lying, stratiform (1.0 to >7.5 metres thick) lenses of massive to semi-massive sphalerite, galena and pyrite hosted in thick (10 to >75 metres) hydrothermal alteration bodies (primarily black matrix breccia, or "BMB") within the Waulsortian limestone. A summary table of the MRE is shown below. The details and supporting information for the MRE are filed on www.sedar.com and in the NI 43-101 Independent Report on the Zinc-Lead Exploration Project at Stonepark, County Limerick, Ireland, with an effective date of April 26, 2018.

Summary Table of Maiden Mineral Resource Estimate at Stonepark Zinc Project, Ireland

Area	Resource Category	Tonnes ('000)	Grades Zn (%)	Pb (%)	Zn+Pb (%)	Metal Content (lbs) Zn ('000)	Pb ('000)	Zn+Pb ('000)
Stonepark North	Inferred	3,900	9.2	2.9	12.1	790,200	247,600	1,037,800
Stonepark West	Inferred	800	7.1	2.2	9.3	128,000	39,900	167,900
Stonepark	Inferred	400	7.0	1.0	8.0	64,000	9,100	73,100
Total		**5,100**	**8.7**	**2.6**	**11.3**	**982,200**	**296,600**	**1,278,800**

During Q1 2020 the Company commenced planning for the 2020 field season, expected to start in Q3-2020. The Company spent $49,840 during Q1-2020 on the Stonepark project, primarily on data compilation ($25,492), in preparation for the 2020 field season, and storage costs ($9,266).

PG West (Limerick Region)

The PG West project comprises 35 PLs covering 1,019 square kilometres and is contiguous with the Company's Stonepark project, covering additional prospective stratigraphy in the Limerick region. The project hosts the Carrickittle area, which is the third most advanced zinc prospect in the Pallas Green region, after Glencore's Pallas Green deposit and the Company's Stonepark deposit. Historic drill results at Carrickittle have shown significant widths and grades at shallow depths, including 4.3 metres of 14.1% Zn+Pb (silver grade unknown), 2.4 metres of 26.8% Zn+Pb (silver grade unknown) and 1.1 metres of 40.8% Zn+Pb and 128 g/t silver. This project also includes the Gortdrum prospect, located on the southeast part of the project, which produced 38,000 tonnes of copper and 2.9 million ounces of silver between 1967 to 1975. Another prospect, Oola, is known to be an area of extensive historic silver-lead and copper workings.

The Company is preparing to commence the 2020 field season in the second quarter of 2020, with the phased return to work in Ireland on May 18, 2020. The Company incurred $24,614 in exploration expenditures during Q1-2020, primarily on data compilation ($10,549) and geophysics ($10,284).

Ballinalack Project

The Ballinalack project ("Ballinalack") covers 211 square kilometres and is located approximately 50 kilometres west of the currently producing Navan Zinc-Lead Mine (Boliden AB). The Company holds a 60% interest in Ballinalack Resources Limited ("BRL"), the legal entity that owns the licences comprising Ballinalack. The remaining 40% of BRL is owned by Shenzhen Zhongjin Lingnan Nonfemet Company Limited ("Nonfemet"), one of the largest zinc producers in China. The interest in BRL is consolidated, with the acquisition value of the project reflected in exploration and evaluation assets and ongoing exploration expenditures reflected on the income statement. The carrying value ascribed to the 40% interest in BRL held by Nonfemet is captured as non-controlling interest in the Financial Statements.

In 2018, the Company completed an updated independent Mineral Resource Estimate ("MRE") for Ballinalack, shown in the below table. Mineralization is near-surface, occurring at depths ranging from 10 metres to 300 metres, and dips 15° to 20° to the north. A summary table of the MRE is shown below. The details and supporting information of the MRE are filed on www.sedar.com and in the NI 43-101 Independent Report on Base Metal Exploration Project at Ballinalack, County Westmeath, Ireland, with an effective date of January 11, 2019.

Summary Table of Mineral Resource Estimate at Ballinalack Zinc Project, Ireland

Resource Category	Tonnes	Grades			Metal Content (lbs)		
	('000)	Zn (%)	Pb (%)	Zn+Pb (%)	Zn ('000)	Pb ('000)	Zn+Pb ('000)
Inferred	5,400	7.6	1.1	8.7	898,000	136,000	1,034,000

In Q4-2019, the Company completed a drill program consisting of five diamond drill holes (totalling 2,124 metres), with all assays finalized in January and February 2020. Two of these holes were drilled near the Ballinalack deposit, whereas, the remaining three holes tested regional targets in the southern half of the property, where Navan Beds are relatively shallow and there is limited historic exploration. One exploration hole, G11-1345-01, drilled in the Ballycorkey townland (approximately 5.0 kilometres along trend from the Ballinalack zinc deposit), intersected 22.30 metres of 0.48% Zn+Pb, including 7.5 metres of 0.95% Zn+Pb (with up to 2.64% Zn+Pb over 0.20 metres). The mineralization is shallow and hosted within the Navan Beds, representing the best zinc-lead intercept outside the existing resource at Ballinalack to date. Combined with data from nearby historic holes, G11-1345-01 suggests mineralization is strengthening towards the nearby crest of a regional antiform. A second hole, G11-1344-03, intersected highly-anomalous zinc-lead over nearly five metres within the Navan Beds, below the Ballinalack deposit – suggesting proximity to stronger mineralization along strike. Both holes will be followed up in future exploration.

Of the remaining holes, G11-3936-01 and G11-622-01, located 1.5 kilometres northwest and 3 kilometres west of G11-1345-01, respectively, further targeted the Navan beds close to splay structures identified in the Tellus survey. The former returned 0.50 metres of 0.37% Zn+Pb (starting at 15.50m downhole; assumed to be true width) and 9.00 metres of 0.16% Zn+Pb (starting from 21.00m) including 1.90 m of 0.31% Zn+Pb and the latter encountered sphalerite blebs at depths of 28.2 to 29.9 metres and 39.4 to 40.0 metres. These results both provide further evidence of the mineralization strengthening towards the Ballycorkey prospect.

The last hole, G11-1344-04, near the existing Ballinalack resource, did not intersect the targeted Navan beds due to a fault encountered that had displaced the lower part of the Navan beds containing the prospective "Bird's Eye Micrite". The hole did, however, intersect 0.60 metres of 0.33% nickel, 0.23% copper, 474 ppm cobalt and 0.214 grammes per tonne ("g/t") 4E (platinum, palladium, rhodium and gold). These results, in conjunction with re-sampled data from a historic hole (TC-1344-039) and results from a G11-1344-03 which also intersected 1.95 metres of 0.403 g/t 4E and 0.24% copper, including 0.95 metres of 0.561 g/t 4E, 0.33% copper and 0.11% nickel, will be followed up in future exploration activity at Ballinalack.

The Company incurred $21,658 in exploration expenditures at Ballinalack during Q1-2020, primarily on transportation ($13,684) and data compilation ($4,453) costs.

Silvermines

Silvermines is comprised of 25 PLs covering a total of 858 square kilometres. The Silvermines project is considered highly prospective for Irish Type zinc-lead deposits. The Cooleen prospect (e.g. 7.3 metres grading 16.0% zinc and lead in hole NX-11) has seen limited exploration activity over the past 20 years (the PLs were released from long-term moratorium in May 2015). The project is located adjacent to the historic Silvermines Zinc Mine which produced approximately 10.8 million tonnes grading 7.4% zinc and 2.7% lead between 1968 and 1982 (Boland et al, 1992). The Silvermines-Lisheen region is unique from a global perspective given that four past producing zinc mines (Galmoy, Lisheen, Tynagh and Silvermines) and four known zinc prospects (Rapla, Dearykearn, Crinkill and Cooleen) exist within a relatively short (30 kilometre) radius.

For the three months ended March 31, 2020, the Company did not incur any costs associated with the Silvermines project. As part of the Company's continuous review of landholdings, the Company is planning to reduce the existing PL's to focus on the core Silvermines license block of 5 PLs (133.7 kilometres) located in the lower southwestern section of the project, and a smaller number of PL's in the northern Silvermines Block as the northern PL's are generally viewed as less prospective and early stage compared to the other project areas, with a significant minimum expenditure (€235,000) required by the end of Q3-2020 in order to maintain.

Tralee

The Tralee project covers approximately 440 square kilometres and consists of six PLs in the Kerry Head and Fenit areas and an additional six PLs in the Castleisland area. The project area is underlain by two regional anticlines of Waulsortian (WL) limestone along the 'Navan-Silvermines' and 'Rathdowney' mineralized trends, respectively. Tralee hosts high-grade drill intercepts (up to 17% zinc and lead, 0.73% Cu and 185 g/t Ag over 1.5m) and a number of lead-silver, zinc and copper showings (including medieval mine workings). Significant historical drilling (approximately 14,000 metres) has been conducted on the property, though much of this was shallow (particularly at Kerry Head where drilling was completed to approximately 20 metre depths).

For the three months ended March 31, 2020, the Company did not incur any costs associated with the Tralee project. The Company intends to reduce its ground holding at Tralee during Q2 2020 in order to focus on its more advanced exploration programs at PGW, Stonepark and Silvermines. Work completed on the remaining Kerry Head and Tralee PLs have not provided significant results for further follow up comparatively and the cost associated with maintaining these PLs in 2020 (€120,000) is significant.

Exploration Property Expenditures

Exploration and evaluation expenditures incurred by the Company, excluding acquisition costs, have been expensed in the consolidated statements of loss and comprehensive loss, the details of which are as follows:

	Three months ended March 31, 2020	From Acquisition to December 31, 2018
Stonepark Project	$ 49,841	$ 790,501
PG West Project	24,615	859,547
Ballinalack Project	21,658	1,032,870
Silvermines Project	–	563,101
Tralee Project	–	351,705
Total Cumulative Expenditures	**$ 96,114**	**$ 2,594,548**

Results from Operations

The following is a summary of results from the Company's consolidated financial statements:

Three months ended March 31	**2020**	**2019**	**2019**
Loss and Comprehensive loss	**$ (339,019)**	$ (801,246)	$ (731,479)
Basic and diluted loss per share	**(0.01)**	(0.01)	(0.02)
As at	**March 31, 2020**	**December 31, 2019**	**December 31, 2018**
Cash	$ 495,260	$ 862,018	$ 1,936,921
Total Assets	9,455,635	9,910,197	11,030,358
Share capital	14,307,404	14,307,404	13,027,584
Deficit	(9,160,829)	(8,843,534)	(6,561,119)

For Q1 2020, the loss and comprehensive loss was $462,228 lower than Q1 2019 primarily as a result of the following:

- During Q1 2019 the Company was actively completing the drilling program at Stonepark whereas in Q1 2020 there was minimal active exploration, resulting in $177,663 lower costs.
- In Q1 2020 the Company took steps to reduce administrative and personnel costs, resulting in reductions of $67,158 and $70,938, respectively, compared with Q1 2019.
- Marketing and investor relations activities were significantly reduced in Q1 2020, with a $86,405 reduction in costs compared with Q1 2019.

The lower costs are a result of the Company's ongoing cost reduction program, in order to focus resources on continued exploration at the Company's Limerick properties (Stonepark and PG West).

Cash decreased $366,758 from 2019 due to the loss from operations ($339,018) and a $169,448 decline in working capital due to the paydown of vendor payables, primarily related to Q4-2019 drilling at the Ballinalack project.

The following selected financial information is a summary of the eight most recently completed quarters up to March 31, 2020.

	Mar 31, 2020	**Dec 31, 2019**	**Sept 30, 2019**	**June 30, 2019**	**Mar 31, 2019**	**Dec 31, 2018**	**Sept 30, 2018**	**June 30, 2018**
Comprehensive Loss	$339,018	$867,865	$664,593	$794,188	$801,246	$1,171,069	$ 873,208	$ 902,361
Basic and Diluted Loss per Share	0.01	0.01	0.01	0.01	0.01	0.02	0.01	0.02

The Company's expenses and cash requirements will fluctuate from period to period depending on the level of activity and, therefore, lack some degree of comparability. The Company's quarterly results may be affected by many factors such as timing of exploration activity, share-based payment costs, marketing activities and other factors that affect Company's exploration and financing activities. Furthermore, the Company's expenses may also be affected by the strength of capital markets as the Company's primary source of funding is through the issuance of share capital and exploration activity is dependent on the availability of financing.

Liquidity and Capital Resources

The Company had cash of $495,260 at March 31, 2020 compared to $862,018 at December 31, 2019. During Q1-2020 the Company reduced personnel levels and administrative costs in order to prioritize funds for exploration.

The Company has forecast its cash requirements for the next year and believes it has sufficient cash resources and liquidity to support the ongoing sustaining costs for the Company. However, in order to meet future property expenditure requirements and continue exploration activities at historic levels, the Company will need to raise additional funds. While the Company has been successful in doing so in the past, there can be no assurance that the Company will be able to do so in the future. Factors that affect the availability of financing include the progress and results of ongoing exploration at the Company's mineral properties, the state of international debt and equity markets, and investor perceptions and expectations of the global markets and mining and zinc sector in particular. If the Company is unable to raise sufficient capital to meet the property expenditure requirements and cover ongoing costs, the Company will look to defer or delay planned exploration expenditures, which may result in the loss of currently held mineral properties. The Company has been actively reviewing its non-core PLs and is in the process of reducing existing ground holdings, primarily at the Silvermines and Tralee projects, to better reflect the current focus of exploration and to reduce maintenance costs.

The Company is required to make exploration expenditures in 2020 to meet spending requirements at PG West, Gortdrum, Silvermines, and Stonepark in order to maintain existing licence holdings. The Company has already fulfilled a significant portion of these spending requirements, with the remaining amounts of €335,000, €13,000, €105,000, and €170,000, respectively, primarily falling due in the third quarter. The funds received from the Glencore private placement (refer to Subsequent Events below) will provide the funds required to meet these remaining spending requirements.

Financial Instruments

The Company's activities potentially expose it to a variety of financial risks, including liquidity risk, interest rate risk, foreign exchange currency risk, and commodity price risk.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations when they become due. As at March 31, 2020, the Company had a working capital deficit of $249,830 compared with working capital of $63,694 as of December 31, 2019. Within current liabilities, $465,337 pertains to the joint venture partner contributions from Nonfemet, for the purposes of exploration at Ballinalack. On July 12, 2019, Nonfemet contributed €298,600 ($465,337) to fund future exploration at Ballinalack. As at March 31, 2020, the Company had contributed €147,089 ($229,223) for the same exploration. The Company is required to fund the remaining $468,782 to BRL to maintain the current 60% interest or, alternatively, reduce the Company's current interest in BRL or return the excess contribution amount to Nonfemet. Until such time as the contributions are converted to equity in BRL, the contribution from Nonfemet will be recorded as a current liability. Management believes that the Company has sufficient financial resources to sustain minimum operating requirements however will need to raise additional funds to meet future expenditure requirements.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is currently not exposed to any interest rate risk as cash is held in a non-interest bearing account and the Company does not hold any interest bearing liabilities.

Foreign Exchange Risk

The Company's functional currency is the Canadian dollar. There is a foreign exchange risk to the Company as its exploration and evaluation property interests and resulting future commitments are located in Ireland. The Euro translation rate has experienced volatility over the last several years as a result of monetary policies adopted by the European Central Bank. Management monitors its foreign currency balances and makes adjustments based on anticipated need for currencies. The Company has a policy of not engaging in hedging activities to address this foreign currency risk. At March 31, 2020, the Company had Euro denominated current assets of €251,425 and Euro denominated current liabilities of €368,227. Accordingly, a 10% change in the foreign exchange rate would result in a $18,204 credit or charge to operations.

Commodity Price Risk

While the value of the Company's exploration and evaluation assets is related to the price of zinc and other minerals, the Company currently does not have any operating mines and hence does not have any hedging or other commodity-based risks with respect to its operational activities. Zinc and other mineral prices have historically fluctuated widely and are affected by numerous factors outside of the Company's control, including, but not limited to, the perception of market participants about the price and future price prospects for zinc, changes in manufacturing and construction activity as well as other industrial demands, levels of worldwide production, and forward sales by producers and speculators.

Subsequent Events

On May 25, 2020, the Company closed an initial tranche of a $750,000 non-brokered private placement with Glencore Canada Corporation ("Glencore"), issuing 2,200,000 units ("Units") at a subscription price of $0.05 per Unit, for total proceeds of $110,000. Each Unit consists of one common share and one half non-transferrable common share purchase warrant. Each whole warrant will entitle the holder thereof to purchase one additional common share in the capital of the Company at $0.10 per share for three years from the date of issue. The second tranche of 12,800,000 units ($640,000) is subject to approval of Glencore as a new Control person by Shareholders at a shareholder meeting to be held on June 22, 2020.

Contractual Obligations

The Company does not have any contractual obligations as at March 31, 2020.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements and no short or long-term debt obligations.

Related Party Transactions

The 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 executive and non-executive members of the Company's Board of Directors and corporate officers.

Their remuneration includes the following:

		March 31,	
	Position	**2020**	**2019**
Salaries and benefits paid or accrued to:			
Bart Jaworski (Note 1)	CEO, Director	$ 42,780	$ 52,088
David Furlong (Note 2)	COO	34,976	39,066
Shaun Heinrichs (Note 3)	CFO	26,400	33,000
Spiros Cacos (Note 4)	VP Investor Relations	30,000	37,500
Management fees paid or accrued to:			
John Barry (Note 6)	VP Exploration	–	27,365
Professional fees paid or accrued to:			
Sheryl Dhillon (Note 7)	Corporate Secretary	3,939	5,250
Share-based payments paid to:			
Bart Jaworski	CEO, Director	5,467	5,467
David Furlong	COO	3,842	3,417
John Barry	VP Exploration	–	1,708
Shaun Heinrichs	CFO	3,842	3,417
Spiros Cacos	VP Investor Relations	2,817	–

Note 1: Compensation paid to Bart Jaworski has been reported as salaries and benefits.

Note 2: Compensation paid to David Furlong has been reported as salaries and benefits (2020 - $17,010; 2019 – $26,711) or exploration expense (2020 - $6,581; 2019 - $12,355).
Note 3: Compensation paid to Shaun Heinrichs has been reported as salaries and benefits.
Note 4: Compensation paid to Spiros Cacos has been reported as salaries and benefits. Spiros Cacos ceased being an insider of the Company on March 31, 2020.
Note 6: Compensation paid to John Barry has been reported as management fees. John Barry ceased being an insider of the Company on November 18, 2019.
Note 7: The professional fees paid to Sheryl Dhillon has been reported as professional fees.

Outlook

Group Eleven's regional synthesis ('Big Think' initiative), which was conducted over the last few years, is now substantially complete. As a result, the Stonepark (76.56% interest) and PG West (100%) projects, in the Limerick basin, have emerged as the clear 'flagship' and value-driver assets for the Company. This Limerick ground position, plus smaller core prospects at the Ballinalack, Silvermines and Tralee projects, will be kept in good standing. However, all non-core licences (the majority of the Company's ground position) will be surrendered in order to maximize focus on the Limerick basin.

The fully funded exploration program for 2020, including drilling, is focused on the Limerick area (PG West and Stonepark). A part of this, drilling is planned at the Kilteely prospect, one of the Company's most exciting targets. In order to expand and accelerate exploration, the Company is continuing discussions with third parties in relation to potential strategic investments.

Critical Accounting Estimates

The preparation of the Company's consolidated financial statements requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities; the disclosure of contingent assets and liabilities; as well as the reported expenses during the reporting period. Such estimates and assumptions affect the determination of the carrying value and the recoverability of exploration and evaluation assets and the inputs used in calculating the fair value of share-based payment expense. Management re-evaluates its estimates and assumptions on an ongoing basis; however, due to the nature of estimates, actual amounts could differ from its estimates. The most critical accounting estimates upon which the Company depends are those requiring estimates of reserves and resources, future recoverability of assets, and assumptions around future commodity prices.

Share-based Payments

The Company provides compensation benefits to its employees, directors, officers and consultants through a share-based compensation plan. All share-based awards are measured and recognized based on the grant date fair value. Fair value is determined using the Black Scholes option pricing model. As the Company does not have a material trading history, the volatility was determined based on the junior gold miners index (GDXJ). The Company utilizes historical data to estimate the expected option term for input into the valuation model. The risk-free rate for the expected term of the applicable option is based on the risk-free lending rate for the Bank of Canada.

Significant and Recently Adopted Accounting Policies

The Company's significant account policies are described in Note 2 of the audited annual consolidated financial statements for year ended December 31, 2019.

Disclosure Controls and Procedures

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in their certificates regarding the absence of misrepresentations and fair disclosure of financial information. Investors should be aware that inherent limitation on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in National Instrument

52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Outstanding Share Data

As at May 29, 2020, there were 74,759,504 common shares outstanding and warrants outstanding to purchase an aggregate of 7,357,753 common shares. Directors, consultants and employees of the Company hold 4,220,000 stock options.

Risks and Uncertainties

In conducting its business, the Company faces a number of risks and uncertainties, many of which are beyond its ability to control or predict. Because of these risks and uncertainties, actual results may differ materially from those expressed or implied by forward-looking statements, and investors are cautioned not to place undue reliance on such statements, which speak only as of the date hereof. Investors are urged to review the discussion of risk factors associated with the Company's business as set out in the Company's annual Management Discussion and Analysis for the year ended December 31, 2019 as well as in the Company's audited consolidated financial statements (under the headings "Nature and Continuance of Operations" and "Significant Accounting Policies" and elsewhere within that document) for the year ended December 31, 2019, as filed on the SEDAR website at www.sedar.com.

Forward Looking Information

This MD&A provides management's analysis of Group Eleven's historical financial and operating results and provides estimates of Group Eleven's future financial and operating performance based on information currently available. Actual results will vary from estimates and the variances may be significant. Readers should be aware that historical results are not necessarily indicative of future performance.

Certain information set forth in this MD&A, including management's assessment of the Company's future plans and operations, contains forward-looking information. By their nature, forward-looking information is subject to numerous risks and uncertainties, some of which are beyond the Company's control, including the impact of general economic conditions, industry conditions, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other industry participants, the lack of availability of qualified personnel or management, stock market volatility and ability to access sufficient capital from internal and external sources. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be inaccurate and, as such, undue reliance should not be placed on forward-looking information. Group Eleven's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking information will transpire or occur or, if any of them do so, what benefits Group Eleven will derive there from. Group Eleven disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise except as required by applicable law.