EAST AFRICA METALS INC.

INTERIM MD&A - QUARTERLY HIGHLIGHTS

FOR THE THREE AND NINE MONTHS ENDED

SEPTEMBER 30, 2019

This interim MD&A - Quarterly Highlights ("Interim MD&A") provides a review of the business activities of East Africa Metals Inc. (collectively, with its subsidiaries, "East Africa" or the "Company") for the three months ended September 30, 2019 ("Q3 2019") compared to the three months ended September 30, 2018 ("Q3 2018"). This Interim MD&A has been prepared in compliance with section 2.2.1 of Form 51-102F1, in accordance with National Instrument 51-102 – Continuous Disclosure Obligations. This Interim MD&A has been prepared on the basis of available information up to November 28, 2019, and should be read in conjunction with the Company's unaudited condensed interim financial statements ("Interim Financial Statements") for the three and nine months ended September 30, 2019, the audited consolidated financial statements ("Annual Financial Statements") for the year ended December 31, 2018, the corresponding notes to the Annual Financial Statements which have been prepared in accordance with International Financial Reporting Standards ("IFRS") and Management's Discussion and Analysis for the year ended December 31, 2018 ("Annual MD&A"). These documents are available on SEDAR at www.sedar.com. All dollar amounts are expressed in Canadian dollars except where indicated otherwise.

Cautionary Statement Regarding Forward-Looking Information

This Interim MD&A may contain certain forward-looking statements concerning anticipated developments in the Company's operations in future periods, "forward-looking information," within the meaning of applicable Canadian securities legislation. The forward-looking statements are set forth in this Interim MD&A and may include statements regarding exploration results and budgets, mineral resource estimates, work programs, capital expenditures, timelines, strategic plans, market price of commodities or other statements that are not a statement of fact. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "anticipate", "believe", "plan", "expect", "intend", "estimate", "forecast", "project", "budget", "schedule", "may", "will", "could", "might", "should" or variations of such words or similar words or expressions. Forward-looking information is based on reasonable assumptions that have been made by the Company as at the date of such information and is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to: closing of the Tibet Huayu Transaction; obtaining all required approvals for the Tibet Huayu Transaction; the ability of Tibet Huayu to develop and operate the Adyabo Property within the required laws and agreements; the outcome of the arbitration case with the Developer; if the arbitration case is successful that the Company can occupy the site and advance the project; if the arbitration is successful the Tanzanian Definitive Agreement payments are not refundable; recoverability of the Ethiopian and Tanzanian VAT receivable; early exploration; the ability of the Company to identify any other corporate opportunities; the possibility that the Company may not be able to generate sufficient cash to service its planned operations and may be forced to take other options; contest over title; the risk the Company may not be able to continue as a going concern; the possibility the Company will require additional financing to develop the Harvest Property into a mining operation; the risks associated with obtaining necessary licenses or permits including and not limited to Ethiopian Government approval of future EAM Mineral Resources targets for the Company's Ethiopian Properties and Projects; risks associated with mineral exploration and development; metal and mineral prices; availability of capital; accuracy of the Company's projections and estimates, including the initial and any updates to the mineral resource for the Adyabo, Harvest and Handeni Properties; realization of mineral resource estimates; interest and exchange rates; competition; stock price fluctuations; availability of drilling equipment and access; actual results of exploration activities; government regulation; political or economic developments; foreign taxation risks; environmental risks; insurance risks; capital expenditures; operating or technical difficulties in connection with development activities; personnel relations; the speculative nature of strategic metal exploration and development including the risks of contests over title to properties; and changes in project parameters as plans continue to be refined, as well as those risk factors set out in the Company's listing application dated July 8, 2013, and within this Interim MD&A. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues. The quantity and grade of reported inferred mineral resources as the estimation is uncertain in nature and there has been insufficient exploration to define any inferred mineral resources as an indicated or measured mineral resource and it is uncertain if further exploration will result in upgrading inferred mineral resources to an indicated or measured mineral resource category. Forward-looking statements are based on assumptions management believes to be reasonable, including but not limited to the price of precious and base metals; the demand for precious and base metals; the ability to carry on exploration and development activities; the timely receipt of any required approvals; the ability to obtain qualified personnel, equipment and services in a timely and cost-efficient manner; the ability to operate in a safe, efficient and effective manner; and the regulatory framework including and not limited to license approvals, social and environmental matters, and such other assumptions and factors as set out herein. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. The Company does not update or revise forward looking information even if new information becomes available unless legislation requires the Company to do so. Accordingly, readers should not place undue reliance on forward-looking information contained herein, except in accordance with applicable securities laws.

Contents

INTRODUCTION

East Africa was incorporated on December 7, 2012, under the Canada Business Corporations Act. The address of the Company's corporate office and principal place of business is Suite 1100, 595 Howe Street, Vancouver, British Columbia, Canada. On July 11, 2013, the Company commenced trading on the TSX Venture Exchange as a Tier 2 mining issuer under the trading symbol "EAM".

DESCRIPTION OF THE BUSINESS

East Africa is a mineral exploration company focused on the identification, acquisition, exploration, development and/or sale of base and precious metal resource properties in the Federal Democratic Republic of Ethiopia ("Ethiopia") and the United Republic of Tanzania ("Tanzania"). East Africa's key mineral assets include its 70% owned Harvest Property and the 100% owned Adyabo Property (together the "Ethiopian Properties") in Ethiopia, and the Handeni Properties, including the Magambazi project and Other Properties (the "Tanzanian Assets") in Tanzania. East Africa has released Mineral Resources Estimates and received mining licenses for its Terakimti (located on the Harvest Property), Da Tambuk (located on the Adyabo Property) and Mato Bula (located on the Adyabo Property) projects in Ethiopia and the Magambazi project in Tanzania. Additional information on the Company's mineral property interests discussed in this Interim MD&A can be found on the Company's website at www.eastafricametals.com.

KEY OPERATING MILESTONES

EXPLORATION UPDATES

- On February 8, 2019, the Company announced the execution of a binding Letter of Intent with Tibet Huayu Mining Co., Ltd. ("Tibet Huayu") for the exploration, development and operation of the Company's Mato Bula Gold Copper Project ("Mato Bula Project"), Da Tambuk Gold Project ("Da Tambuk Project") and the 70% owned Terakimti Gold Heap Leach Project ("Terakimti HL Project"), located in the Tigray National Regional State of Northern Ethiopia (the "Tibet Huayu Transaction"). Tibet Huayu is a Chinese mining company with its headquarters in Lhasa, China and is publicly listed on the Shanghai Stock Exchange. In exchange THM would make a cash payment of US$1.7M.
- On May 21, 2019, the Company announced the receipt of government approval of mining licenses for the Mato Bula and Da Tambuk Projects at the Company's 100% owned Adyabo Property located in Ethiopia.
- On May 27, 2019, the Company announced a general update on the mining licenses and the Tibet Huayu Transaction. On May 23, 2019, the Company attended the mining license ceremony for the Mato Bula and Da Tambuk Projects. During May 14 to 16, 2019, the Company held meetings with Tibet Huayu to advance the Letter of Intent into final agreements. On completion of these meetings, the Company and Tibet Huayu proceeded with completing the drafting of the definitive agreements and finalizing the terms of the Tibet Huayu transaction.
- On July 2, 2019, the Company announced that it has signed a Share Purchase Agreement and Joint Venture Contract with Silk Road Resources Investment Co., Limited, a wholly owned subsidiary of Tibet Huayu, for the development and operation of the Mato Bula and Da Tambuk Projects. Tibet Huayu has agreed to purchase 70% interest of the Mato Bula and Da Tambuk Projects, in exchange the Company will receive a cash payment of US$1.2M and retain a 30% Net Profit Interest. Tibet Huayu will finance 100% of the capital costs and operate the mine development program and mining operations of the Mato Bula and Da Tambuk Projects.
- On August 14, 2019, the Company announced that it has signed an amendment to the Share Purchase Agreement, the parties have agreed all conditions precedent and obligations required for closing under the Share Purchase Agreement have been met or waived and the parties are proceeding towards formally closing the transaction.
- On August 23, 2019, the Company announced that the transaction with Tibet Huayu has closed and the parties are working to complete the formal registration of the transfer of 70% of the Company's equity interest in its Ethiopian subsidiary pursuant to Ethiopian laws and regulations (the "Share Transfer Registration"). Of the U$1,200,000 payable by Tibet Huayu under the Share Purchase Agreement, the Company has received US$600,000, and the remaining US$600,000 was placed in trust and released to the Company on November

27, 2019. With the transaction closed, Tibet Huayu has the right to initiate the design, construction and related works at the Mato Bula and Da Tambut Projects in accordance with the Joint Venture Contract entered into by the parties. The Company and Tibet Huayu has also terminated the binding Letter of Intent signed in February 2019 and accordingly the parties no longer have any obligations to one another respecting the Company's Harvest Project.

- For the above exploration updates, mineral resource estimates, related maps and further information on the Harvest Property and the Adyabo Property can be located in East Africa's respective news releases and on East Africa's website at www.eastafricametals.com.

CORPORATE UPDATES

- On February 11, 2019, the Company announced its intention to complete an equity financing by way of a private placement of up to $3,000,000 at a price of $0.16 per unit for 18,750,000 units. Each unit will consist of one common share and one common share purchase warrant of the Company. Each warrant will entitle the holder to purchase one common share at an exercise price of $0.30 per share for a period of 24 months following the closing of the private placement. All of the securities issued in connection with this private placement are subject to resale restrictions which expire four months and one day from closing. On February 28, 2019, the Company announced it had closed tranche one of the private placement for proceeds of $2,326,960. On April 12, 2019, the Company announced the closing of the tranche two of the private placement for proceeds of $184,400. On completion of tranche two the Company closed the private placement and issued 15,696,000 units for proceeds of $2,511,360.
- On May 31, 2019, the Company announced the voting results from its annual shareholders meeting, and the appointment of Jacqueline Tucker as the Company's Chief Financial Officer. Ms. Tucker replaced Peter Granata who resigned as CFO and Jeffrey Heidema also resigned as VP Exploration of the Company.
- On June 7, 2019, the Company announced the grant of 6,300,000 stock option to certain directors, officers and consultants pursuant to the Company's Stock Option Plan. The options have an exercise price of $0.22 per share and an expiry date of June 7, 2024. The options will vest immediate and are subject to the approval of the TSX Venture Exchange.
- For the above corporate updates highlights refer to East Africa's respective news releases or the Company website, www.eastafricametals.com for further details.

OUTLOOK

As of the date of this Interim MD&A, the Company's focus is on advancing the Ethiopian Properties. The Company has received the mining licenses for the Terakimti HL, Mato Bula and Da Tambuk Projects. East Africa has released mineral resource estimates and received mining licenses on each of its advanced staged exploration projects in Ethiopia and Tanzania.

In August 2019, East Africa announced the that the transaction with Tibet Huayu has closed, whereby Tibet Huayu has acquired 70% interest of the Mato Bula and Da Tambuk Projects, for a cash payment of US$1.2 million and the financing, development and operation of the Mato Bula and Da Tambuk Projects. The parties are working to complete the Share Transfer Registration (refer to "Exploration Updates").

In 2018, the Company has commenced an arbitration process with an arm's length private exploration and development company (the "Developer"), in relation to East Africa's Tanzanian Assets with the view to terminate the Tanzanian Definitive Agreements and Addendum (defined in "Corporate Transactions" below). The Company, if successful with the arbitration process, plans to advance the Tanzanian Assets to attract interest and identify a development partner or buyer.

The Interim Financial Statements are prepared on a going concern basis, which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. For the nine months ended September 30, 2019, the Company incurred a net loss attributable to shareholders totaling $2,377,177 (2018 – $5,471,053) and as at September 30, 2019, had an accumulated deficit of $190,789,002 (December 31, 2018 – $188,411,825) and working capital deficit (current asset less current liabilities) of $460,884 (December 31, 2018, deficit – $2,253,710).

Based on the Company's financial position as at September 30, 2019, the available funds are not considered adequate to meet requirements for the estimated operations, exploration expenditures, the Terakimti HL Project development expenditures and the outcome of the arbitration (refer to "Corporate Transactions") in the coming twelve-month period. These requirements may be adversely impacted by an absence of normal available financing due to the continued uncertainty in the markets for mineral exploration companies. To address its financing requirements, the Company will seek financing through and not limited to the closing the Tibet Huayu Transaction (refer to "Corporate Transactions"), sale of non-strategic assets, debt financing, strategic alliances, gold streaming contracts or similar hybrid instruments, equity financing and optioning its mineral properties. However, there is no assurance that such financing will be available.

This uncertainty casts significant doubt upon the Company's ability to continue as a going concern. If the going concern assumption were not appropriate for these Interim Financial Statements, then adjustments would be necessary to the carrying values of assets, liabilities, the reported income and expenses and the consolidated balance sheets classifications used. Such adjustments could be material. The outcome of these measures cannot be predicted at this time and management's ability to complete these measures will depend on market conditions and its ability to identify and secure financing. The Company's Board of Directors has approved pursuing these measures. Refer to the "Liquidity" section for further details.

CORPORATE TRANSACTIONS

Development of the Adyabo Property in Ethiopia

In February 2019, the Company entered into a Letter of Intent with Tibet Huayu for the Harvest and Adyabo Properties. The Letter of Intent contemplates Tibet Huayu would develop and operate the Harvest and Adyabo Properties. In July 2019, the parties signed a Share Purchase Agreement and Joint Venture Contract for the development and operation of Adyabo's Mato Bula and Da Tambuk Projects. In August 2019, with the Share Purchase Agreement closed, Tibet Huayu has the right to initiate the design, construction and related works at the Mato Bula and Da Tambuk projects.

Exploration of the Adyabo Property in Ethiopia

East Africa retained the mineral rights and all exploration obligations for prospective targets outside of the area covered by the mining licenses for Mato Bula and Da Tambuk ("EAM Mineral Resources"). The Company has submitted applications for the exploration rights on prospective targets and is in on-going discussions with the Ethiopian MoMP for exploration rights to carry out the proposed work program. On receipt of a MoMP approval for the EAM Mineral Resources targets work program on the Adyabo Property and identification of funding, the Company plans to continue advancing the project through in-fill and extension drilling, induced polarization survey follow-up testing, geotechnical drilling and testing, metallurgical testing, preliminary engineering work, water supply/hydrology assessments and on-going community relations work. The Company continues to consider additional drilling to identify additional resources and to cost effectively identify new gold targets along the highly prospective Mato Bula Trend. East Africa plans to advance the Adyabo Property through a resource update following the core deposit area infill drilling program that was completed in 2017. East Africa gave Tibet Huayu a right of first refusal of reasonable duration to acquire the future EAM Mineral Resources. For consideration of the future EAM Mineral Resources negotiations will be based on i) cash payment and ii) allocated % of post-tax profits of new mineral resources. The closing of the transaction is subject to, including and not limited to regulatory, government and other required approvals.

Development of the Harvest Property in Ethiopia

In August 2019, the Company and Tibet Huayu terminated the Letter of Intent signed in February 2019 and accordingly the parties no longer have any obligations to one another respecting the Company's Harvest Project. The Company continues to engage in discussions with interested parties on project financing and developing the Harvest Project.

Exploration of the Harvest Property in Ethiopia

The Company has submitted an application for the exploration rights on the remaining prospective targets not included in the Terakimti HL Project. The Company is in on-going discussions with the MoMP for exploration rights to carry out the proposed work program. On receipt of the MoMP's approval of the proposed work program and identification of funding, the Company intends to continue assessment of the Lihamat, Mayshehagne, and VTEM09 potential satellite prospects through metallurgical and resource analyses, as potential additional project resource assets.

Properties in Tanzania – Arbitration

On June 10, 2015, East Africa signed a binding agreement with the Developer, to acquire and develop East Africa's Tanzanian Assets. On March 5, 2016, the “Tanzanian Effective Date”, the Company completed the execution of the Definitive Agreement and the Gold Purchase Agreement (together the “Tanzanian Definitive Agreements”) with the Developer. The Tanzanian Definitive Agreements required, among other things, the payment of US$2,000,000 (US$750,000 paid as of March 31, 2019) in cash for a 100% interest in the Tanzanian Assets, including the Magambazi project, camp, equipment and other assets. On January 16, 2018, the Company completed updated terms (the “Addendum”) for the Tanzanian Definitive Agreements and agreed with the Developer to assign the rights and obligations of the Tanzanian Definitive Agreements and Addendum to the Developer’s new entity incorporated in Hong Kong.

On April 6, 2018, the Company announced that it had commenced the arbitration process with the view to terminate the Tanzanian Definitive Agreements and Addendum as a result of certain disputes that East Africa has with the Developer under the terms of the Tanzanian Definitive Agreements and Addendum and the Company may submit a claim for damages. Included in these disputes are matters arising in Tanzania which East Africa and its Tanzanian subsidiaries have been included in a legal dispute over a contractual disagreement with the Developer. Management and its legal advisors believe there is no basis for East Africa and its subsidiaries to be named in the dispute and accordingly the Company has filed its objections with the courts with the intent to be removed from the legal dispute. Under the Tanzanian Definitive Agreements, on termination the payments received are non-refundable.

In August 2018, Canaco Tanzania Limited (“CTL”), a subsidiary of East Africa, received a default notice from the Tanzanian Government advising of certain issues attributed to development and operational actions that are non-compliant with the Tanzanian Mining Act. CTL has been given 45 days to initiate action to address the matters of non-compliance and the Company provided a proposed program to address the matters. With the on-going legal dispute in Tanzania, the Tanzanian Government has postponed its assessment of the Company’s proposed program until the legal hearing case concludes. As at September 30, 2019, the arbitration process and legal disputes are on-going and East Africa continues discussions with the Tanzanian Government regarding the status of the Magambazi project. The Company, if successful with the arbitration process, plans to advance the Tanzanian Assets to attract interest and identify a development partner or buyer.

CURRENT COMPANY OBJECTIVES

Current objectives:

1. Complete formal registration of the transfer of 70% of the Company’s equity interest in its Ethiopian subsidiary;
2. Continue to engage in discussions with interested parties on project financing and developing the Harvest Project;
3. Continue to engage the Ethiopian Ministry of Mines and Petroleum (“MoMP”) on the issuance of the exploration rights to the EAM Mineral Resources targets;
4. Commence a work program on the EAM Mineral Resources targets, subject to further financing, with the goal to increase the mineral resources on the Harvest and Adyabo Properties including upgrading the mineral resource at the Adyabo Property.
5. Assess new potential exploration opportunities in Ethiopia or other jurisdictions;
6. Where possible, expedite the arbitration case and if successful, identify a new development partner or buyer for the Tanzanian Assets;
7. Continue to examine opportunities to raise funding including debt finance, equity financing, through strategic alliances, and optioning its mineral properties for equity, cash and/or expenditure commitments.

SELECTED CONSOLIDATED FINANCIAL INFORMATION

The Interim Financial Statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting, and should be read in conjunction with the Company's Annual Financial Statements, which have been prepared in accordance with IFRS as issued by the International Accounting Standards Board.

The Company's operations are in one industry – the acquisition, exploration, development and/or sale of gold, copper, and other precious and base metals. As at September 30, 2019, East Africa has three geographic locations: Canada (head office), Ethiopia and Tanzania. Information discussed herein reflects the Company as a consolidated entity, consistent with the Company's determination that the one industry in which East Africa operates provides the most meaningful information for an exploration stage enterprise.

FINANCIAL POSITION

The following financial data is derived from the Company's Interim Financial Statements as at September 30, 2019 and December 31, 2018:

	September 30, 2019 $	December 31, 2018 $
Total assets	24,177,105	23,308,570
Total liabilities	3,312,831	2,597,966
Equity (before non-controlling interest)	17,180,217	16,853,111

Total assets

The $868,535 increase in total assets from 2018 to 2019 relates to receipt of financing of $2,511,360 and deposit on sale of shares of US$600,000 (CAD$796,499) offset from property and equipment amortization and net disposals of $98,280, exploration and head office cash related expenditure of approximately $2,435,278 and foreign exchange of approximately $475,000 in losses on the translation of United States dollars to Canadian dollars of the foreign operations.

Notwithstanding periodic or one-time transactions and subject to changes in foreign currency exchange, total assets will generally remain constant from one period to the next, less the cost of expenditures on activities not capitalized such as mineral property interest and property and equipment. All direct costs associated with exploration of these properties are expensed as incurred.

Total liabilities

As at September 30, 2019 and December 31, 2018, the Company's total liabilities are predominately comprised of trade payables, accruals, related party payables, loan payables and deposit on sale of shares. The increase in total liabilities of $714,865 as at September 30, 2019 compared to December 31, 2018 relates to non refundable deposit received in August 2019 for the sale of the equity interest to Tibet Huayu that has yet to be completed.

Total equity

The increase of equity of $327,106 as at September 30, 2019 from December 31, 2018, is related to the financing of $2,511,360, stock options exercises of $89,600, which is offset with 2019 YTD foreign exchange loss of $475,099 attributable to shareholders and 2019 YTD net loss of $2,377,177 attributable to shareholders.

RESULTS OF OPERATIONS

The selected period information and summary of financial results in this Interim MD&A should be read in conjunction with the Company's Interim Financial Statements for the nine months ended September 30, 2019 and 2018. The following financial data are derived from the Company`s Interim Financial Statements for the nine months ended September 30, 2019, and 2018 respectively:

	Nine months ended September 30, 2019 $	2018 $
Revenue	-	-
Exploration and evaluation expenditures	639,843	2,413,973
Other expenditures*	1,795,435	3,171,257
Net loss for period	2,435,278	5,585,230
Net loss for period attributable to shareholders	2,377,177	5,471,053
Basic and diluted loss per share and attributable to shareholders	0.01	0.03
Weighted average number of common shares used in the calculation of loss per share – basic and diluted	176,097,780	162,268,814
Distributions or Dividends	-	-

* Non-GAAP measure - Other expenditures represents all other expenditures, other than Exploration and Evaluation expenditures, disclosed in the statement of operations and includes non-cash items.

LOSS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2019 ("YTD-2019"), COMPARED TO THE NINE MONTHS ENDED SEPTEMBER 30, 2018 ("YTD-2018")

The loss for YTD-2019 is $2,435,278 compared to a loss for YTD-2018 of $5,585,230. The significant items contributing to the YTD-2019 loss includes exploration expenditures of $639,843 (YTD-2018 – $2,413,973), investor/shareholder communications and filing fees of $178,180 (YTD-2018 − $542,574), management consulting fees of $322,500 (YTD-2018 – $411,813), office and administration of $185,185 (YTD-2018 – $277,507) and share-based compensation of $608,470 (YTD-2018 − $1,104,962). Significant balances and changes are discussed below.

Exploration and evaluation expenditure ("Exploration Expenditures")

Exploration Expenditures incurred costs of $639,843 YTD-2019 compared to $2,413,973 in YTD-2018. The decrease of $1,774,130 in Exploration Expenditures is primarily a result of overall decrease in activity due to the Company's cash sustaining phase until the Tibet Huayu Transaction is completed.

A summary of East Africa's exploration expenditures for the nine month period ended September 30, 2019 are as follows:

	Tanzania, Handeni and Other Properties	Harvest Project	Adyabo Project	Nine month period ended September 30, 2019
Exploration and evaluation expenditure				
Amortization	$ 79,226	$ 14,278	$ 9,116	$ 102,619
Camp and administration costs	10,175	130,738	70,869	211,782
Corporate social responsibility	-	20,644	-	20,644
Drilling	-	-	2,398	2,398
Geochemistry	889	15,995	17,865	34,749
Geology	-	726	-	726
Other	-	2,120	-	2,120
Share-based compensation	-		9,814	9,814
Provision for tax recoverable	-	5,601	4,511	10,112
Technical services	198,719	2,303	43,857	244,879
	$ 289,008	$ 192,405	$ 158,430	$ 639,843

Investor/shareholder communications and filing fees

In YTD-2019, the Company recorded investor/shareholder communications and filing fees of $178,180 compared to $542,574 in YTD-2018, a decrease of $364,394. The decrease in activity is related to the Company maintaining a cash sustaining phase until the Tibet Huayu Transaction is completed. In YTD-2018 expenditure of approximately of $175,000 related to the European marketing program to increase the trading volume demand of East Africa's shares.

Management consulting fees

In YTD-2019, the Company recorded management consulting fees and expenses of $322,500 compared to $411,813 in YTD-2018, a decrease of $89,313. The overall decrease is related to a reduction in travel costs as the Company maintains a cash sustaining phase until the Tibet Huayu Transaction is completed.

Office and administration

In YTD-2019, the Company recorded office and administration expenses of $185,185 compared to YTD-2018 costs of $218,840, a decrease of $92,322. Costs for office and administration include office expenses, travel expense for corporate head office staff, network services and insurance costs. The overall decrease is predominately related to reduced travel cost as the Company maintains a cash sustaining phase until the Tibet Huayu Transaction is completed.

Share-based compensation

In YTD-2019, the Company recorded share-based compensation of $608,470 compared to YTD-2018 of $1,073,361, a decrease of $464,891.

The selected period information and summary of financial results in this Interim MD&A should be read in conjunction with the Company's Interim Financial Statements for the three months ended September 30, 2019, and 2018. The following financial data are derived from the Company`s Interim Financial Statements for the three months ended September 30, 2019, and 2018 respectively:

	Three months ended September 30,	
	2019	**2018**
	$	**$**
Revenue	-	-
Exploration and evaluation expenditures	291,695	431,169
Other expenditures*	354,228	525,112
Net loss for the period	645,923	956,281
Net loss for the period and attributable to shareholders	587,822	935,665
Basic and diluted loss per share and attributable to shareholders	0.00	0.01
Weighted average number of common shares used in the calculation of loss per share – basic and diluted	179,908,971	163,249,759
Distributions or Dividends	-	-

The net loss from operations attributable to shareholders for the three-month period ended September 30, 2019 amounted to $645,923 compared to a net loss for the comparative period of $956,281, representing a decrease in net loss of $310,358. The fluctuations in line item amounts are due to the same factors discussed in the above noted year-to-date analysis.

LIQUIDITY

As at September 30, 2019, the Company had cash and cash equivalents of $130,294, other current assets of $1,925,155 and current liabilities of $2,516,333, compared to cash and cash equivalents of $60,683, other current assets of $318,026 and current liabilities of $2,571,736 as at December 31, 2018.

The Company entered into a five (5) year operating lease for office premises commencing on January 1, 2015. The monthly lease payment and building operating costs before estimated rent recoveries was approximately $27,000. In April 2019, the operating lease was terminated with insignificant exit costs for the Company. East Africa has entered into a month to month rental arrangement of approximately $6,000 per month.

As at September 30, 2019, with East Africa's working capital deficit (current assets less current liabilities) being $460,884 (December 31, 2018 – working capital deficit of $2,253,710), the Company estimates that it does not have available funds, to meet requirements for the coming twelve months based on current estimated expenditures for operations, exploration and development of its mineral property interests and the outcome of the arbitration. Estimated exploration expenditures include but are not limited to, payments of accrued Tanzanian mining licenses, assess resource growth on satellite targets near the Terakimti HL Project, and assess resource growth on the Mato Bula trend. These uncertainties cast significant doubt on the ability of the Company to continue as a going concern. As at September 30, 2019, the Interim Financial Statements were prepared on a going concern basis which contemplates the realization of assets and the settlement of liabilities in the normal course of operations.

The Company's approximate sustaining monthly head office administration expenses until closing the Tibet Huayu Transaction ("Interim Phase") is $120,000. This minimum cost estimate assumes limited investor relations / shareholder information costs and excludes non-cash costs. During this Interim Phase, the site and camp expenses (operating subsidiaries) are approximately $80,000 monthly to maintain the normal operations in Ethiopia and Tanzania. The site and camp monthly administration expenses include Ethiopian costs for head office technical services, Ethiopian administrative staff, and costs of operating the Ethiopian offices and warehouses and Tanzanian expenses to maintain a corporate presence in Tanzania until the arbitration is finalized.

In 2018, East Africa announced it had commenced an arbitration process to seek a determination that the Developer is in breach of the Tanzanian Definitive Agreements and Addendum and that the appropriate remedy is a declaration that the Tanzanian Definitive Agreements and Addendum be terminated which may include a claim for any damages. The Company, if successful with the arbitration process, plans to identify a development partner or buyer of the Tanzanian Assets. Refer to the "Corporate Transactions" section for further information.

In August 2019, the Company and Tibet Huayu closed the Share Purchase Agreement for the development of the Mato Bula and Da Tambuk Projects. The Company received US$600,000 from the closing and the remaining US$600,000 was placed in trust and released to the Company on November 28, 2019. Refer to the section "Corporate Transactions" for further information.

The ability of the Company to carry out its planned business objectives is dependent on its ability to raise adequate capital funds including and not limited to the sale of non-strategic assets, strategic alliances, debt financing, equity financing and optioning its mineral properties. If adequate financing is not available, the Company may be required to delay, reduce the scope of, or eliminate one or more exploration and/or development activities or relinquish rights to certain of its interests. There is no assurance that East Africa will be able to obtain financing in the future or that such financing will be on terms acceptable to East Africa.

CAPITAL RESOURCES

The Company has historically met its exploration and corporate capital requirements predominantly through the completion of equity placements and may be impacted by continued poor North American market conditions for exploration and development resource companies with operations in emerging countries. Trends affecting the Company's liquidity may be dictated by the demands on financial resources created by the advancing nature of East Africa's mineral property assets, the pursuit of a growth strategy that targets property acquisitions, the exploration commitments and the Company's ability to access the financial resources required to meet these demands. As the projects advance through exploration, they typically require more capital-intensive programs that apply pressure to the Company's financial resources.

The Company's Fiscal 2019 commitments are predominantly represented by office lease payments. This amount includes the monthly lease payment of approximately $27,000 until March 31, 2019. In April 2019, the Company was able to terminate its lease with insignificant exit costs and move to a new location on a month to month arrangement of approximately $6,000 per month. After the termination of the lease and as at June 30, 2019, East Africa's 12 month commitments is $18,362 for costs related to future payment on approval of Environmental and Social Impact Assessment reports in Ethiopia. East Africa's sustaining costs to maintain its head office and operating subsidiaries is approximately $200,000 per month. Further to this, the Company has accrued $78,025 for Tanzanian mining licenses and prospecting licenses ("PL") annual payments. In April 2019, the Company closed a tranche two of a private placement (announced February 11, 2019 – see corporate updates for further information) with gross proceeds of $184,400. In August 2019, the Company received US$600,000 from the closing of the Tibet Huayu Share Purchase Agreement, and the remaining US$600,000 was placed in trust and released to the Company on November 27, 2019. Based on the aforementioned items, the Company has determined it does not have sufficient funds to meet its 2019 objectives without further funding.

Any additional planned work programs and any future development programs will result in a further decrease to the Company's current liquidity. In obtaining the required capital to pursue East Africa's business plan, capital may be generated from, debt financing, strategic alliances, accessing equity markets, procuring industry partners for its primary exploration assets or sale of exploration assets for equity positions or cash or some combination thereof. If the Company is successful in the Tanzanian arbitration case, it would look to identify a new development partner on terms that may include a cash payment. In the event that additional funding is required, there can be no assurances that such funds will be available and/or on terms acceptable by the Company.

Trends that affect the market generally, and the perception of East Africa within the marketplace, can affect the Company's ability to access capital in both a positive and negative way. Trends in this general market are defined by fluctuations in the global economy and the demand for metals and commodity prices. Trends in the perception of the Company in the resource marketplace may be affected by general trends in the resource equity markets which may in turn impact East Africa's performance in creating shareholder value and in demonstrating the ability to manage East Africa's affairs and achieve mandated objectives. Uncertainty is a prevalent element in exploration and development of mineral property assets, therefore it can, on occasion, impede the Company's ability to meet its financial requirements and result in an inability to advance exploration assets and meet objectives in a timely manner.

Mineral exploration and development involves a high degree of risk and few properties that are explored are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration activities will result in discoveries of new resources or commercial mineral deposits. There is also no assurance that if a commercial mineral deposit is discovered that the deposit would be economical for commercial production. Discovery of mineral deposits is dependent upon a number of factors and significantly influenced by the technical skill of the exploration personnel involved. The commercial viability of a mineral deposit is also dependent upon a number of factors, which are beyond East Africa's control. Some of these factors are the attributes of the deposit, market conditions, environmental protection, foreign taxation, and government policies and regulation.

Capital Expenditures

During the nine month period ended September 30, 2019, the Company recorded $10,249 (2018 – $33,295) on maintenance payments of mineral property interest which have been capitalized. In 2019, the Company did not receive any further payments related to the Tanzanian Definitive Agreements and Addendum (2018 – $361,281).

TRANSACTIONS WITH RELATED PARTIES

In the normal course of business, the Company transacted with individuals and companies considered to be related parties. Related party transactions involve normal commercial compensation for services rendered by senior management, officers, and directors of the Company, by companies with which they were associated as owners, contractors or employees. For nine month period and as at September 30, 2019, the Company had recorded the following significant related party transactions:

For 2019 YTD, the Company incurred management consulting fees of $449,583 (2018 YTD– $232,500).

On August 31, 2017, SinoTech (Hong Kong) Corporation Limited ("SinoTech") provided a second short-term unsecured loan to the Company for $600,000 with an interest rate of 12% per annum. The loan and all accrued and unpaid interest were payable on the earlier of 15 business days after the Company's closing of an October 2017 financing or 120 days from the Company's receipt of the loan proceeds. In 2018, the Company repaid $324,000 of the principal and interest, extended the remaining amount of $300,000 and accrued interest of $35,400. As at June 30, 2019, $364,100 is payable and continues to accrued interest. The Company is in discussions with SinoTech on renewal terms.

For 2019 YTD, the Company recorded fees of $501,333 (2018 YTD – $549,466) to directors and senior key management for consulting fees, director fees, and salaries and benefits. Senior key management includes the CEO, VP of Exploration, and the CFO. During 2019, the Company repaid loans and interest of $77,500 to officers and employees of the Company. Of the loans, $49,000 was received in 2018 and $27,000 received in 2019. As at September 30, 2019, the Company owed $611,215 (December 31, 2018 - $577,917) for directors' fees, management fees, reimbursable expenses and salaries.

CHANGE IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

The Company has adopted the following new and revised standard, along with any consequential amendments, effective January 1, 2019. These changes were made in accordance with the applicable transitional provisions.

IFRS 16 Financial Instruments

In January 2016, the IASB issued IFRS 16 - Leases ("IFRS 16"). The objective of the IFRS 16 is to recognize substantially all leases on the balance sheet. IFRS 16 requires lessees to recognize a right-of-use ("ROU") asset and a lease liability calculated using a prescribed methodology, except for short-term leases and leases with low-value underlying assets. In addition, the nature and timing of expenses relates to leases has changed. IFRS 16 replaces the straight-line operating leases expense with the depreciation expense for the ROU assets and interest expense on the lease liabilities.

The Company's accounting policy under IFRS 16 is as follows:

At inception of a contract, the Company assesses whether a contract is, or contains, a lease by determining whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. A ROU asset and lease liability is recognized at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any indirect costs incurred, less any lease incentives received.

The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, including periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option, In addition, the ROU asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. These lease payments are discounted using the implicit interest rate in the lease. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability. If the rate cannot be readily determined, the Company's incremental borrowing rate is used.

The lease liability is subsequently measured at amortized cost using the effective interest method whereby the balance is increased by interest expense and decreased by lease payments. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase an extension of termination option.

Short-term leases and leases of low-value assets

The Company has elected not to recognize ROU assets and lease liabilities that have a lease term of less than 12 months and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Effective January 1, 2019, the Company adopted IFRS 16. The impact of the transition is as follows:

The Company has elected to apply the practical expedient to account for leases for which the lease term end within 12 months of the date of the initial application as short-term leases. The Company has elected to not recognize ROU assets and lease liabilities for leases that have a lease term less than 12 months or for leases of low-value assets. In addition, $19,687 of leasehold inducements was written-off (recovery), as the ROU asset was not reduced by any lease incentives received.

INTERNAL CONTROL OVER FINANCIAL REPORTING AND DISCLOSURE CONTROLS AND PROCEDURES

Currently, the certification required by the Company's certifying officers under National Instrument 52-109 Certificate of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate, does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers are not making any representations relating to the establishment and maintenance of:

(i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarised and reported within the time periods specified in securities legislation; and

(ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's Generally Accepted Accounting Principles ("GAAP").

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 make in the certificate.

Investors should be aware that inherent limitations 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 NI 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.

NON-GAAP FINANCIAL MEASURES – OTHER EXPENDITURES

The Company uses the non-GAAP financial measures of Other Expenditures to manage, evaluate operating performance and prepare East Africa's Interim MD&A. The Company believes that, in addition to conventional measures prepared in accordance with GAAP, certain investors use this information to evaluate the Company's performance. Accordingly, it is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP. Where Non-GAAP financial measures cannot be matched to the Interim Financial Statements disclosures additional disclosure and/or reconciliation may be provided within the Non-GAAP disclosure if deemed necessary.

RISK FACTORS

Below are the known risk factors for this Interim MD&A. Please refer to the section entitled "Risk Factors" in the Company's Annual MD&A for an additional list of risk factors that may impact the Company. You can review and obtain copies of the Company's filings from SEDAR at www.sedar.com or from East Africa's website www.eastafricametals.com.

Financial (liquidity) Risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with the financial liabilities. Historically East Africa predominately relies on equity financings to fund its activities. While it has been successful in raising funds in the past, there is no guarantee that adequate funds will be available in the future. The Company had cash and cash equivalents of $92,200 and working capital deficit of $(503,718) as at June 30, 2019. The Company estimates that it does not have available funds to meet requirements for the coming twelve months based on current planned expenditures for operations, exploration and development of its mineral property interests. See the "Liquidity" section of this Interim MD&A for further discussion on the Company's ability to operate as a going concern.

Credit risk

Credit risk is the risk of loss associated with counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and cash equivalents and receivables. Cash and cash equivalents may consist of Guaranteed Investment Certificates and short-term deposits issued by major Canadian banks. Receivables mainly consist of taxes recoverable and accounts receivables. The carrying amount of cash and cash equivalents, tax receivables and other accounts receivable represents the Company's maximum exposure to credit risk.

As at September 30, 2019, $539,593 was due to the Company's foreign subsidiaries in Tanzania and Ethiopia from the foreign governments for Value Added Tax ("VAT"). East Africa is due refunds of certain taxes based on consumption, of which the timing of realization is uncertain. If these recoverable taxes are not collected, it could reduce the carrying value of these assets. Management has judged to raise a provision for 100% of the taxes recoverable given limited methods available to recover these taxes and the length of time it takes to recover these taxes. The Company continues to pursue approval of VAT refund claims from the various foreign governments. As a result, the outstanding taxes recoverable receivable could be exposed to the credit risk associated with the outstanding amounts.

Exploration and Commercial Viability Risk

The Company has no production of minerals and some of its properties are currently at the pre-development and exploration stage. The exploration and development of mineral deposits involves significant risks which even with careful evaluation, experience and knowledge may not, in some cases, be fully mitigated. The commercial viability of any mineral deposit depends on many factors, not all of which are within the control of management. These factors include, but are not limited to, Government approval for EAM Mineral Resources targets applications; the ability to extend current EAM Mineral Resources targets within the available legislation; the size, grade and proximity to infrastructure of the deposit; Government regulations; taxes; royalties; land tenure; land use; environmental protection and reclamation and closure obligations. All or some of these factors may have an impact on the economic viability of a mineral deposit. These unique environments could limit or reduce production possibilities or if conditions are permissive for potential natural disasters, such as severe weather, could negatively impact facilities, equipment and the safety of its workers dramatically. One or more of these risk elements could have an impact on costs of the operations and if significant enough, reduce the profitability of future production and threaten the continuation of a particular project or operations altogether.

Development Stage Projects

Profits from commercial operations will depend on a significant number of factors, including economic feasibility, changing market conditions, environmental and government regulations, labour availability, the cost of and the ability to attract external financial capital, and the ability to attract partners with sufficient technical expertise and relevant industry experience to further develop the various projects. Any failure to meet one or a combination of these factors may result in project delays or potential cancellation of the projects permits and the Company's future operating results may be adversely affected.

Licensing Matters

The Company's operations are subject to receiving and maintaining permits and licenses from appropriate governmental authorities. Title insurance is generally not available for permits and licenses and the Company's ability to ensure that it has obtained a secure claim to individual mineral properties or mining concessions may be severely constrained. East Africa's mineral properties may be subject to prior unregistered agreements, transfers or claims, and title may be affected by, among other things, undetected defects. The Company has not conducted surveys of all of the mineral rights in which it holds direct or indirect interest

Although, the Company currently has the required mining licenses for its Terakimti HL, Da Tambuk and Mato Bula Projects, there is no assurance that delays will not occur in connection with obtaining all necessary renewals for future existing applications or additional permits or licenses for all future operations. There can be no assurance that East Africa will continue to hold all permits and licenses necessary to develop or continue operating at any particular property, or that any such licenses or permits awarded will not be cancelled pursuant to applicable current or future legislation. The rights of East Africa's in the Terakimti HL, Mato Bula and Da Tambuk Projects are held through the mining agreements and mining licenses that sets out a tax regime and development and production framework. There can be no assurance that the Company will continue to be in compliance with all terms and conditions of the mining agreements and mining licenses or assurance that any dispute resolution process will decide in the Company's favour.

The Tanzanian Assets are held with two (2) mining licenses for the Magambazi project and associated PLs for the exploration assets. With the current default notice suspended for the Magambazi project until the legal dispute is resolved, East Africa has accrued it mining license and PL annual payments. There can be no assurance that the Company will continue to be in compliance with all terms and conditions of the mining licenses or PLs or assurance that any dispute resolution process will decide in the Company's favour.

Foreign Countries and Political Policy Risk

The Company has interests in exploration properties that are located in the developing countries of Tanzania and Ethiopia. The Company's mineral exploration may be affected in varying degrees by political instability and government regulations relating to foreign investment and the mining industry. Changes, if any, in mining or investment policies or shifts in political attitude in Tanzania and/or Ethiopia may adversely affect East Africa's operations. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, direct and indirect taxes, tax assessments, royalties, expropriation of property, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety. Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions there under, including orders issued by regulatory of judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. There is no assurance that the Company's mineral exploration activities will result in any discoveries of new bodies of commercial deposits as a result of changes in Foreign Country or Political Policy risks.

Conflict of Interest

East Africa's directors and officers may serve as directors and/or officers, or may be associated with, other reporting companies, or may have significant shareholdings in other public companies. To the extent that such other companies may participate in financing, business or asset acquisitions, dispositions or ventures in which the Company may participate, the directors and officers of East Africa may have a conflict of interest in negotiating and concluding terms reflecting the transaction. Consequently, there exists the possibility that such directors will be in a position of conflict of interest. Any decision made by such directors involving the Company are made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other companies. In addition, such directors will declare, and refrain from voting on, any matter in which such directors may have a material conflict of interest.

Arbitration Proceedings

In 2018 the Company began a binding arbitration process against the Developer (see “Corporate Transactions” for further information) with respect to certain disputes that East Africa has with the Developer. The cost of the arbitration process maybe substantial and there is no assurance that the Company will be successful in establishing the Developer’s liability or, if successful, will collect any award by the arbitration tribunal for compensation from the Developer. Failure to prevail in the arbitration process and obtain adequate compensation could materially adversely affect the Company. Certain legal liabilities may result from legal matters arising in Tanzania or from the arbitration. The final outcome of the arbitration and any Tanzanian legal matters cannot be predicted with certainty.

Key Management individuals

The Company’s success depends, to a certain degree, upon key members of the management. These individuals are a significant factor in the Company’s growth and success and East Africa does not have key man insurance in place in respect of any of its directors, management or employees. The loss of the service of members of the management and certain key employees could have a material adverse effect on the Company.

Information Technology Threats

Information systems and other technologies, including those related to the Company’s financial and operational management, are an integral part of the Company’s business activities. Network and information systems-related events, such as computer hackings, cyber-attacks, computer viruses, worms or other destructive or disruptive software, process breakdowns, denial of service attacks, power outages, natural disasters, terrorist attacks or any combination of the foregoing, could result in damage to the Company’s property, equipment and data. These events also could result in significant expenditures to repair or replace the damaged property or information systems and/or to protect them from similar events in the future. Further, any security breaches, such as misappropriation, misuse, leakage, falsification or accidental release or loss of information maintained in the Company’s information technology systems, including personnel and other data, could damage its reputation and require the Company to expend significant capital and other resources to remedy any such security breach. The Company does not have insurance coverage against losses resulting from any such events or security breaches and the occurrence of any such events or security breaches could have a material adverse effect on the business of the Company.

OTHER INTERIM MD&A REQUIREMENTS

Additional Disclosure for Venture Issuers without Significant Revenue

Refer to elsewhere in this Interim MD&A or East Africa’s Interim Financial Statements for capitalized or expensed exploration and development costs, general and administration expenses and other significant costs. Additional information relating to the Company is on SEDAR at www.sedar.com.

Outstanding Shares

As at September 30, 2019 and the date of this report, the Company has 180,537,094 common shares issued and outstanding.

As at September 30, 2019 and the date of this report, the Company has 18,501,195 warrants issued and outstanding.

As at September 30, 2019, the Company has 31,774,500 stock options outstanding and exercisable. As at the date of this report, the Company has 31,524,500 stock options issued and outstanding.

APPROVAL

At the date of this document the Board of Directors of the Company has approved the disclosure contained in this Interim MD&A. Readers of this Interim MD&A and other filings can review and obtain copies of the Company’s filings from SEDAR at www.sedar.com and the Company will provide copies at the request of shareholders and their related parties.