MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS FOR THE SIX MONTHS ENDED JUNE 30, 2016.

AURAMEX
RESOURCE CORP.

The following management discussion and analysis ("MD&A) of financial position and results of operations of Auramex Resource Corp. (the "Company") is prepared as at August 12, 2016 and should be read in conjunction with the condensed consolidated interim financial statements of the Company, and the notes thereto, for the six months ended June 30, 2016, and with the audited financial statements of the Company, and the notes thereto, for the year ended December 31, 2015. In this discussion, unless the context otherwise dictates, a reference to the business and operations of the Company includes the business and operations of the Company's wholly owned Mexican subsidiary, Exploración Auramex S. A. de C. V. ("Auramex Mexico"). Additional information relating to the Company is available on SEDAR at www.sedar.com.

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

Mineral Properties

Auramex holds mineral tenures comprising more than 18,600 hectares divided into 13 separate blocks in the highly prospective Stewart Gold camp in northwest British Columbia (Skeena Mining Division). Three properties, two of them contiguous, lie at or near tidewater along the Portland Canal south of Stewart. Nine lie in the Bear River watershed, from tidewater at Stewart to the northern slopes of Entrance Peak, on the eastern edge of the Coast Range. The remaining block, Tide North, lies on the Bowser River, at the toe of the Frank Mackie Glacier.

In 2014, all properties were examined and reduced to consolidated ground around prospective targets and in 2015 two tenures were added to augment these holdings.

All but one property (Tide North) are held for their potential to host intrusion related gold mineralization related to the Texas Creek plutonic suite. Tide North, located 41 kilometres to the north of Stewart, is underlain by Salmon River formation basinal rocks and is being explored for its potential to host volcanic exhalative Au-Ag mineralization.

Please refer to the company's 2015 year end MD & A for a more fulsome discussion of the properties.

Exploration Activities in the first six months of 2016

During the first quarter of 2016, Auramex technical staff was in the process of reporting on a geophysical synthetic aperture radar (SAR) survey that was conducted by Auracle Geospatial Science Inc. over each of its tenure blocks. The results of this survey have provided Auramex with valuable information greatly enhancing the company's understanding of structural and lithological relationships on the properties. This data will be fused with results from a compilation of all previous work in order to clarify and prioritize the next stages of exploration efforts.

The geophysical survey has been applied as assessment work on the properties and will extend their tenures to late 2017-2018.

During the second quarter of 2016, compilation work of all past exploration on Auramex' current properties have continued.

Summary of Quarterly Results

The following table sets out selected financial information, presented in Canadian dollars for each of the last eight quarters ended June 30, 2016:

	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Income (loss) for the period	(10,481)	(20,022)	(39,666)	(13,651)	(49,021)	(62,866)	(1,070,565)	(66,946)
Earnings (loss) per share Basic and diluted	(0.000)	(0.001)	(0.001)	(0.001)	(0.003)	(0.004)	(0.07)	(0.004)
Cash and cash equivalents	4,338	13,728	25,465	25,216	23,733	23,113	13,293	16,277
Working capital (deficiency)	(618,952)	(583,857)	(563,751)	(464,202)	(505,166)	(398,900)	(380,433)	(259,150)

Fluctuations in results from quarter to quarter are caused primarily by whether the Company raised financing or incurred exploration expenditures in any given quarter, and are not indicative of any particular trend in the Company's overall performance.

First quarter losses and third quarter losses include property tax expense in Mexico. In the first quarter of 2016, the loss is mitigated by a currency gain in Mexico due to a more favourable exchange rate with the Mexican peso on the tax debt.

The fourth quarter loss in 2014 includes the write-off of the Mexican property. It also includes stock based compensation expense of $39,700 and an accrual for legal expenses in Mexico of approximately $40,000, none of which are recurring items.

Liquidity and Capital Resources

The following table summarizes the Company's cash on hand, working capital and cash flow.

As at June 30,		**2016**	**2015**
Cash	$	4,338	23,733
Working capital (deficiency)		(618,952)	(448,174)

Six months ended June 30,		2016	2015
Cash provided by (used) in operating activities		3,571	(33,707)
Cash provided by (used) in investing activities		(49,586)	6,805
Cash provided by financing activities		24,888	17,342
Change in cash	$	(21,127)	10,440

As at August 12, 2016		
Cash	$	17,713
Working capital deficiency	$	614,818

The Company's current liabilities include $362,450, not including out of pocket costs, owing to related parties from 2011 to date. These liabilities will be repaid only from future financing, from profitable operations or shares for debt settlements, thus the working capital deficiency at August 12, 2016 is effectively $252,368.

The Company has two primary requirements for working capital: administrative costs and exploration expense.

During the six months ended June 30, 2016, general and administrative expense totalled $19,195 (not including property tax expense), compared to $81,759 in 2015. Management and consulting fees in 2016 were $15,000 compared to $24,227 in 2015; professional fees were $11,815 compared to $17,508 in 2015. The decrease in management and consulting fees is due to the discontinuance of activity in Mexico.

In the first six months of 2016, the Company issued 2,500,000 units consisting of one common share and one half flow-through share purchase warrant at a price of $0.01 per unit for gross proceeds of $25,000. Share issuance costs pertaining to this issuance were $112.

The Company’s ability to obtain sufficient funding for the medium to long terms will be dependent on the availability of equity and debt financing in the future, which the Company cannot predict. The availability of such funding will be dependent on a number of factors beyond the Company’s control, including commodity prices, stock market performance and any number of other economic conditions. Accordingly, the ability of the Company to continue as a going concern cannot be assured.

Transactions with Related Parties

The Company was party to the following transactions with related parties during the three months ended June 30, 2016;

The Company’s President, CEO and a director, Wayne Crocker, has not billed any fees in the quarter. He does not have a formal consulting contract with the Company but bills for professional services at a per diem rate of $600. The total amount owing to him at the date of this report is $66,791 which includes a loan of $40,000.

The Company’s Chief Financial Officer and a director, Judie Whitby, under a contract to provide accounting, office and general management services to the Company, billed $7,500 in the quarter, and $2,500 subsequent to quarter end. She submits expense claims for expenses incurred on the Company's behalf, such as TSX Venture exchange and British Columbia Securities Commission filing fees, mineral tenure expenditures and travel expenses. In this regard she submitted reimbursement claims in the amount of $798, and none subsequent to the period end. As at June 30, 2016, these expenses and the consulting fees are included in accounts payable. The total amount owing at the date of this report is $163,941 which includes a loan to the Company of $10,000. She also controls a private company, Whitby & Tower Moving Ltd., which provides storage services for supplies and drill core to the company. The storage costs are $100 per month. The amount owing to Whitby & Tower Moving Ltd. at the date of this report is $3,780.

Paul Metcalfe, the Company's VP Exploration, is a director of Palatine Geological Ltd. which provides geological services. Fees for service submitted in the quarter total $49,250, and expense claims submitted total $921. The total invoiced amount owing to Palatine Geological Ltd. at this date is $134,888.

The Company considers all of the foregoing transactions and the amounts related thereto to be reasonable and representative of normal commercial transactions.

Financial Instruments

The fair value of the Company's receivables, reclamation deposits, accounts payable and accrued liabilities and shareholder loans approximate carrying value which is the amount recorded on the consolidated statement of financial position. The Company's other financial instrument, cash, under the fair value hierarchy is based on level one quoted prices in active markets for identical assets and liabilities.

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

Liquidity risk

The Company's approach to managing liquidity risk is to try to ensure that it will have sufficient liquidity to meet liabilities when due.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's credit risk is primarily attributable to cash and cash equivalents. Cash is held with highly rated financial institutions and management believes the risk of loss to be remote. The Company has no significant concentration of credit risk arising from operations. Most receivables consist of input tax credits receivable from the Government of Canada. The Company does not believe it is subject to significant credit risk in relation to its remaining receivables.

Market risk

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

a) Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. As of June 30, 2016, the Company held no investment-grade short-term deposit certificates.

b) Foreign currency risk

The Company is exposed to foreign currency risk or fluctuations related to cash, receivables and taxes recoverable, and accounts payable and accrued liabilities that are denominated in US Dollars and Mexican Pesos.

Sensitivity Analysis

The Company has cash, receivables and taxes recoverable and accounts payable and accrued liabilities that are denominated in US Dollars and Mexican Pesos. A 10% fluctuation in the US Dollar and Mexican Peso against the Canadian Dollar would affect net income by approximately $20,200.

Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Additional Disclosure for Venture Issuers

The Company's business primarily involves mining exploration, and the Company has received no revenue from operations in either of its last two financial years. The following selected financial information indicates costs and expenses incurred by the Company during the six months ended:

	June 30, 2016	June 30, 2015
Capitalized or expensed exploration costs		
• Mexican properties	$ 11,329	$ 30,205
• Stewart properties, B.C.	49,565	815
Expensed research and development costs	Nil	Nil
Deferred development costs	Nil	Nil
General and administrative expenses	19,195	81,759
Material costs not referred to in the foregoing	Nil	Nil

Disclosure of Outstanding Share Data

The Company has the following securities outstanding at August 12, 2016:

21,499,149 common shares.

1,575,000 stock options
Incentive stock options for the purchase of 25,000 common shares exercisable on or before October 30, 2016, and 350,000 common shares exercisable on or before December 16, 2019, at an exercise price of $0.10 and for purchase of 100,000 common shares exercisable on or before October 30, 2016 and 1,200,000 common shares exercisable on or before September 24, 2024 at a price of $0.05.

940,000 share purchase warrants.

Each of 2,666,666 share purchase warrants issued March 27, 2015 entitles the holder to purchase one common share at a price of $0.10 until March 27, 2017.

Each of 6,733,334 share purchase warrants issued November 27, 2012 entitles the holder to purchase one common share at a price of $0.20 per share until November 27, 2016, and at a of $0.25 per share until expiry on November 27, 2017.

Other

The Company has no off-balance sheet arrangements.

While the Company is in discussions regarding property acquisitions and disposals on an ongoing basis, the Company has no proposed material asset or business acquisition that the Company's Board of Directors has decided to proceed with, or that the Company's senior management has decided to proceed with in the belief that confirmation by the Board is probable. The Company is in ongoing negotiations to dispose of its Mexican interests.