Introduction

Pinecrest Resources Ltd. and its subsidiary engage principally in the acquisition, advancement and development of precious mineral properties particularly its Enchi Gold Project in Ghana. Pinecrest Resources Ltd., the parent, was incorporated by a Certificate of Incorporation issued pursuant to the provisions of the *Business Corporations* Act (British Columbia) on January 18, 2010. Pinecrest is a public company listed on the TSX Venture Exchange (TSX-V: PCR) and its head office is located at Suite 413 – 595 Burrard Street, Vancouver, British Columbia, V7X 1J1.

This interim Management Discussion and Analysis ("MD&A") should be read in conjunction with the condensed interim consolidated financial statements of Pinecrest Resources Ltd. ("Pinecrest" or the "Company") for the period ended March 31, 2020. The Company reports its financial position, results of operations and cash flows in accordance with International Financial Reporting Standards ("IFRS"). Additional information relating to the Company including the most recent Company filings can be located on SEDAR at www.sedar.com.

This MD&A is prepared as of May 6, 2020. All dollar figures stated herein are expressed in Canadian dollars, unless otherwise specified.

Forward Looking Statements and Risk Factors

This interim MD&A includes certain statements that may be deemed "forward-looking statements." All statements in this discussion, other than statements of historical facts, that address events or developments that the Company expects are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include continued availability of capital and financing and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in the forward-looking statements.

For a detailed listing of the risk factors, please refer to the Company's annual MD&A for the year ended December 31, 2019.

Results of Operations

As at March 31, 2020, the Company had total assets of $15,487,796 (December 31, 2019 - $14,652,641) consisting primarily of cash and exploration and evaluation assets.

Exploration and evaluation assets as at March 31, 2020 was $15,102,393 compared to $13,997,180 as at December 31, 2019. The increase during the period is due to the stronger US dollar at March 31, 2020 when compared against year-end's exchange rate. The impact of the higher US dollar at the reporting date amounted to an increase of $1,028,704.

For the three months ended March 31, 2020, the Company recorded a net loss of $47,159 or $0.00 loss per share compared to a net loss of $59,683 or $0.00 loss per share during the same period in the prior year.

Management fees were $6,000 during the quarter ending March 31, 2020 (2019 - $36,750). The decrease in fees during 2020 was due to the Chief Executive Officer and a director of the Company electing to waive their remuneration.

(Expressed in Canadian Dollars - Unaudited)

Travel expense was $11,295 during the quarter ending March 31, 2020 compared to nil during the same period in the prior year. The travel cost relates to one of the Company's directors travel to Ghana.

During the three months ended March 31, 2020, 1,000,000 stock options with an exercise price of $0.10 were exercised by directors of the Company for gross proceeds of $100,000.

Cash outflows from the Company's exploration activities was $74,019 (2019 - $116,348) during the three months ended March 31, 2020. Majority of the exploration expenditures during the period relates to the extension and renewal of certain prospecting licenses. Refer to Note 4 of the condensed interim consolidated financial statements for further details.

Summary of Quarterly Results

The following information is derived from the Company's unaudited quarterly financial statements for the preceding eight quarters.

		Revenue		Net loss		Loss per share
March 31, 2020[(1)]	$	Nil	$	47,159	$	0.00
December 31, 2019	$	Nil	$	48,300	$	0.00
September 30, 2019	$	Nil	$	49,366	$	0.00
June 30, 2019	$	Nil	$	113,305	$	0.00
March 31, 2019	$	Nil	$	59,683	$	0.00
December 31, 2018	$	Nil	$	63,692	$	0.00
September 30, 2018	$	Nil	$	127,404	$	0.00
June 30, 2018	$	Nil	$	150,270	$	0.00

[(1)]See discussion under "Results of Operations" above.

Liquidity

The Company's consolidated financial statements have been prepared in accordance with IFRS applicable to a going concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. The Company's continuing operations and the ability of the Company to meet its administrative and exploration expenditures are dependent upon the ability of the Company to continue to raise additional equity or debt financing and to find joint venture partners. The Company has no source of revenue, is unable to self-finance operations, and has incurred operating losses since inception. As at March 31, 2020, the Company had a working capital of $266,554 (December 31, 2019: $296,656) and an accumulated deficit of $4,543,626 (December 31, 2019: $4,496,467).

As part of the recently obtained 3-year license renewals relating to the Enchi Gold Project, the Company has committed to exploration expenditures over the next 3 years as follows: 2020: US$563,000; 2021: US$779,000, and 2022: US$2,085,000. In order to be able to meet these commitments the Company will need to raise funding though equity financing, debt financing or through finding join venture partners. The ability to do this may be impacted by the COVID 19 pandemic (see Note 9 of the condensed interim consolidated financial statements).

Management is actively looking to advance the exploration program by seeking potential joint venture partners. In addition, management closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company if favorable or adverse market conditions occur. There is no assurance that the Company will be able to obtain adequate financing or find joint venture partners to advance the Company's planned exploration programs. These material uncertainties may cast significant doubt about the Company's ability to continue as a going concern.

(Expressed in Canadian Dollars - Unaudited)

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Transactions with Related Parties

Trading transactions

During the period ending March 31, 2020, the Company paid or accrued $nil (2019 - $3,827) for office rent to a related company.

Compensation of key management personnel

Key management personnel include directors and officers that provide management and consulting services to the Company. Remuneration of key management personnel during the period ended March 31 was as follows:

Related Party	Relationship		**2020**		2019
Gladstone Capital Ltd.	Chief Executive Officer	$	**-**	$	18,750
Pacific Court Capital Corp.	Chief Financial Officer		**6,000**		9,000
Sail View Capital Ltd.	Director		**-**		9,000
		$	**6,000**	$	36,750

Proposed Transactions

None.

Critical Accounting Estimates and Change in Accounting Policies including Initial Adoption

The significant accounting policies applied in the preparation of the financial statements are consistent with those applied and disclosed in the Note 2 of the Company's 2019 audited consolidated financial statements. Critical accounting estimates remain the same as disclosed in the 2019 audited annual consolidated financial statements.

Financial Instruments and Other Instruments

The Company's financial instruments consist of cash, receivables, short-term investment, and trade and other payables. The Company determines the classification of financial assets at initial recognition. Financial liabilities are measured at amortized cost unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL. All of the Company's financial instruments are held at amortized cost. Financial instruments held at amortized cost are initially recognized at fair value plus any direct attributable transaction costs. Subsequent to initial recognition such financial instruments are measured at amortized cost using the effective interest method.

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to twelve-month expected credit losses. Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognized.

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the consolidated statements of loss and comprehensive loss.

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the consolidated statements of loss and comprehensive loss.

The Company does not use derivative instruments or hedges to manage various risks because the Company's exposure to credit risk, liquidity risk, and market risks is relatively low. Cash and short-term investment are held through a large national financial institution. Note 7 of the Company's condensed interim consolidated financial statements contain additional disclosures on the Company's financial instruments.

Outstanding Share Capital

The following describes the outstanding share data of the Company as at May 6, 2020.

	Number Outstanding
Common shares	64,316,547
Options to purchase common shares	3,400,000

Outlook

The Company plans to continue drilling on known zones and additional priority targets on the Enchi Gold Project. The Company will continue to look at various options available in order to advance the Enchi Gold Project including securing additional equity or debt financing and joint venture partnerships.