DISTRICT COPPER

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

FOR THE THREE AND SIX MONTHS ENDED APRIL 30, 2019

(Expressed in Canadian Dollars)

As of June 26, 2019

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1. INTRODUCTION

This Management's Discussion and Analysis ("**MD&A**") of District Copper Corp., (referred to as "**District**", the "**Company**", "**us**" or "**our**") provides analysis of the Company's financial results for the three and six months ended April 30, 2019. The following information should be read in conjunction with the accompanying unaudited interim financial statements for the three and six months ended April 30, 2019, and the notes to those financial statements, prepared in accordance with IAS 34 under International Financial Reporting Standards ("**IFRS**"), as issued by the International Accounting Standards Board. Please also refer to the tables starting on page 10 of this MD&A which compares certain financial results for the three and six months ended April 30, 2019 and 2018. Financial information contained herein is expressed in Canadian dollars, unless otherwise stated. All information in this MD&A is current as of June 26, 2019 unless otherwise indicated. Readers are cautioned that this MD&A contains "*forward-looking statements*" and that actual events may vary from management's expectations. This MD&A was reviewed, approved and authorized for issue by the Company's Audit Committee, on behalf of the Board of Directors, on June 26, 2019.

Description of Business

District is a public company incorporated in British Columbia, under the "*Canadian Business Corporation Act*" and its common shares are listed on the TSX Venture Exchange (the "**TSX-V**"); under the trading symbol "**DCOP.V**". The Company maintains its head office at 142-1146 Pacific Blvd., Vancouver, British Columbia, Canada, V6Z 2X7.

The Company's principal business activity was until recently the Eaglehead copper project. The Company has since shifted it's focus away from the copper space towards the gold space, with the acquisition of the Stony Lake gold property on February 8, 2019. The company's transition from copper to gold is due to the current difficulty in raising funds in the market for early stage copper exploration projects.

On April 30, 2019 and June 26, 2019, the Company had (i) 136,241,618 and 136,941,618 common shares issued and outstanding; (ii) 28,252,942 share purchase warrants to acquire common shares outstanding and (iii) 2,350,000 options to acquire common shares outstanding.

Head Office	Share Information	Investor Information
# 142 - 1146 Pacific Blvd. Vancouver, BC V6Z 2X7 Canada Tel: +1-604-620-7737	Our common shares are listed for trading on the TSX-V under the symbol "DCOP.V".	Financial reports, news releases and corporate information can be accessed on our website at www.districtcoppercorp.com and on SEDAR at www.sedar.com
Registered Office	**Transfer Agent and Registrar**	**Contact Information**
# 217-179 Davie Street Vancouver, BC V6Z 2Y1 Canada Tel: +1-604-669-3233	Computershare Investor Services Inc. 3rd Floor, 510 Burrard Street Vancouver, BC V6C 3B9 Tel: +1-604-661-9400	Investors: Jevin Werbes Media requests and queries: Tel: +1-604-620-7737 jwerbes@icloud.com

As at the date of this MD&A, District Copper's directors and officers are as follows:

Directors	Officers and Position
Elmer Stewart (Chairman)	Jevin Werbes, President and Chief Executive Officer
Jevin Werbes	Braden Jensen, Chief Financial Officer
Chris Healey	Mike Smith, Corporate Secretary
J. Michael Smith	Cam Grundstrom, Chief Operating Officer
Hrayr Agnerian	

Audit Committee	Compensation Committee
J. Michael Smith (Chairman)	Chris Healey
Elmer Stewart	J. Michael Smith
Chris Healey	Jevin Werbes
Jevin Werbes (Non-Independent)	

Qualified Person

Mr. Elmer B. Stewart, MSc. P. Geol., Director of the Company, is the non-independent Qualified Person as defined under NI 43-101 *Standards of Disclosure for Mineral Projects* ("**NI 43-101**") who has reviewed and approved all technical and scientific disclosure contained in this MD&A regarding the Company's mineral properties.

2. DISCLOSURE OF INTERNAL CONTROLS OVER FINANCIAL REPORTING

Management has established processes to provide them sufficient knowledge to support representations that they have exercised reasonable diligence that (i) the financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and the periods presented by the financial statements; and (ii) the financial statements fairly present in all material aspects the financial condition, results of operations and cash flows of the Company, as of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certificate of Disclosure in Issuers' Annual and Interim Filings ("**NI 52-109**"), this Venture Issuer Basic Certification 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 filing this certificate 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, summarized and reported within the time periods specified in securities legislations; 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 IFRS.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with enough knowledge to support the representations they are making in this 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.

3. FORWARD-LOOKING STATEMENTS

Certain statements contained in this MD&A constitute "*forward-looking statements*" within the meaning of Canadian securities legislation. These forward-looking statements are made as of the date of this MD&A and the Company does not undertake to update any forward-looking statement that may be made from time to time by the Company or on its behalf, except in accordance with applicable laws.

Forward-looking statements relate to future events or future performance and reflect management's expectations or beliefs regarding future events and include, but are not limited to, statements with respect to the estimation of mineral reserves and resources, the realization of mineral resource and mineral reserve estimates, the timing and amount of estimated future production, costs of production, capital expenditures, success of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage. **Readers are cautioned that mineral resources that are not mineral reserves do not have demonstrated economic viability.**

Except for statements of historical fact relating to the Company, certain information contained herein constitutes forward-looking statements. The words "may", "will", "continue", "could", "should", "would", "suspect", "outlook", "believes", "plan", "anticipates", "estimate", "expects", "intends" and words and expressions of similar import are intended to identify forward-looking statements.

Forward-looking statements include, without limitation, information concerning possible or assumed future results of the Company's operations. These statements are not historical facts and only represent the Company's current beliefs as well as assumptions made by and information currently available to the Company concerning anticipated financial performance, business prospects, strategies, regulatory developments, development plans, exploration and development activities and commitments and future opportunities. Although management considers those assumptions to be reasonable based on information currently available to them, they may prove to be incorrect.

These statements are not guarantees of future performance and involve assumptions and risks and uncertainties that are difficult to predict. Therefore, actual results may differ materially from what is expressed, implied or forecasted in such forward-looking statements.

By their very nature, forward looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance, or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, and readers are advised to consider such forward-looking statements considering the risk factors set forth below and as further detailed in the "*Risks and Uncertainties*" section of this MD&A.

These risk factors include, but are not limited to, fluctuation in metal prices which are affected by numerous factors such as global supply and demand, inflation or deflation, global political and economic conditions; the Company's need for access to additional capital to explore and develop its projects; the risks inherent in the exploration for and development of minerals including the risks of estimating the quantities and qualities of minerals, operating parameters and costs, receiving project permits and approvals, successful construction of mining and processing facilities, and uncertainty of ultimate profitability of mining operations; risks of litigation and other risks. The Company cautions that the foregoing list of factors that may affect future results is not exhaustive. When relying on any forward-looking statements in this MD&A to make decisions with respect to the Company, investors and others should carefully consider the risk factors set out in this MD&A and other uncertainties and potential events.

4. SIX MONTHS ENDED APRIL 30, 2019 HIGHLIGHTS AND SIGNIFICANT EVENTS

- On December 10, 2018, District Copper received conditional TSX:V approval for its proposed acquisition of the Stony Lake Property.

- On February 8, 2019, the Company issued 5,900,000 flow-through units and 5,900,000 non-flow-through units at a cost of $0.05 each per unit, pursuant to a private placement, for gross proceeds of $590,000. Each flow-through unit consists of one common share and one-half share purchase warrant, which can be exercised at $0.075 until August 8, 2020. Each non-flow-through unit consists of one common share and one share purchase warrant, which can be exercised at $0.05 until August 8, 2020.

  The warrants have an early acceleration provision wherein the warrants will become callable on 21 days' notice in the event the Company's shares trade at a price of $0.12 per share or greater for a 14 consecutive day trading period at any time after June 9, 2019.

  Finders' fees of 200,000 shares, valued at $6,000, 300,000 warrants, valued at $6,177, exercisable at $0.05 until August 8, 2020, and legal fees of $21,025 were paid with respect to this financing.

  The value of the finders' warrants was calculated using Black Sholes with an exercise price of $0.05, an expected life of 18 months, a volatility rate of 188.10% and a risk-free rate of 1.77%.

- On February 8, 2019, District Copper issued 40,000,000 shares to compete the Stony Lake property acquisition (see August 15, 2018 news release.)

- On February 19, 2019, District Copper announced the 2019 exploration program on its 100% owned Stony Lake gold project located in the emerging Cape Ray/Valentine Lake gold district in central Newfoundland. The first phase of the exploration program consists of a high sensitivity airborne magnetometer and radiometric geophysical survey as well as mapping, prospecting and sampling on nine target areas within the property and follows the recommendations set out in the NI 43-101 Technical Report dated September 18, 2018.

Subsequent to the Period ended

- On May 7, 2019, District Copper announced that the summer exploration program on its 100% owned Stony Lake gold project, which covers 27 kilometers of the favourable Cape Ray/Valentine Lake trend, was underway. The summer program includes mapping, sampling and prospecting nine target areas and a property wide high sensitivity airborne aeromagnetic and radiometric survey. The mapping and sampling program are underway with the airborne geophysical survey expected to commence at the end of June

- 2019. Early results from the Rabbit Tracks and Frenchman's Pond targets have located large areas of epithermal style alteration and widespread weak to moderate concentrations of pyrite and arsenopyrite mineralization.

- On May 13, 2019, District entered into two separate arm's length agreements to acquire the Duffitt and Island Pond properties (24 claims covering 600 hectares) located contiguous to and within its Stony Lake gold project. The Duffitt Claims were acquired for 300,000 common shares and a 0.75% NSR royalty from production. The Island Pond claims were acquired for a cash payment of $4,000, 400,000 common shares and a 2.0% NSR royalty from production. District has retained the right to purchase one half of this NSR for $1,000,000.

- On June 17, 2019, Mike Smith was appointed Corporate Secretary of District Copper.

5. PROPERTY SUMMARY

Stony Lake Project

District is focusing all of its exploration efforts on the recently acquired 100% owned Stony Lake gold project. The acquisition of the 13,025 ha Stony Lake project, located on the Cape Ray/Valentine Lake structural trend in central Newfoundland, was completed on February 8, 2019. The Cape Ray/Valentine Lake structural trend is Canada's newest emerging orogenic gold district. This area hosts a number of high-grade gold discoveries including Sokoman Iron Corporation's ("**Sokoman**") Moosehead discovery, Antler Gold's Twilight zone and Marathon's Valentine Lake gold deposit. The project is subject to a 2.0% NSR if the price of gold is US $2,000 per ounce or less and a 3% NSR if the price of gold is $2,000 or greater per ounce.

The Stony Lake project covers approximately 27 km of strike length of the Cape Ray/Valentine Lake trend between Sokoman's Moosehead discovery to the northeast and the Twilight zone discovery to the southwest. Sokoman has reported a significant number of high-grade gold intersections from its Moosehead discovery including:

- Drill hole, MH-18-01, (see Sokoman news release dated July 24, 2017) returned 11.9 m of 44.96 g Au/t from 109.0 m to 120.9 m,
- Drill hole MH-18-08 intersected 1.05 m of 207.1 g Au/t from 8.50 to 9.55m and 2.28m of 42.36 g Au/t from 33.07 to 35.35m (see Sokoman news release dated August 28, 2018), and
- MH-19-62 intersected 33.59 g Au/t over a4.80 m core length g (see Sokoman news release dated April 24, 2019),

Project Description/Historical Exploration Results

The historical exploration completed on the project is summarized in a National Instrument 43-101 Technical Report entitled "Compilation of Historical Geological, "Geochemical and Geophysical Exploration Work Carried out Over the Stony Lake Epithermal Gold Project, Grand Falls-Bishops Falls Area, Central Newfoundland" prepared by Larry Pilgrim, P. Geo as Qualified Person with an effective date of September 18, 2018.

The Stony Lake property has seen only cursory exploration for gold mineralization. Despite the numerous gold showings and highly anomalous gold geochemical results within and adjacent to the Project area, it was not until Sokoman's Moosehead discovery that the area's potential for gold mineralization was realized. Following the

Moosehead discovery; a number of significant gold discoveries have been made in this portion of central Newfoundland.

Historical exploration activities on the Stony Lake project were sporadic and consisted of regional geochemical sampling, limited prospecting and sampling, 10 diamond drill holes (1,142m) on the Flyers Grid and partial airborne geophysical coverage.

In addition to the Flyers' area, historical exploration outlined six large exploration targets within the Stony Lake property that exhibit a combination of some or all of the following:

- 18 known gold occurrences that exhibit epithermal style alteration and mineralization in bedrock/sub crop with rock grab sample results of up to 15.1 g Au/t,
- Soil, till and lake sediment sampling has identified multiple, coincident, large gold geochemical anomalies,
- lower-grade (<4 g Au/t) auriferous alteration zones (argillic and silicification),
- linear quartz-rich zones with gold concentration ranging from highly anomalous to gold values up to 15.1 g Au/t.

2019 Exploration Program

The 2019 exploration program is estimated to cost $400,000 and consists of mapping, prospecting and sampling and a property wide airborne magnetometer and radiometric survey to map bedrock lithologies, structural features and areas of structurally controlled potassic alteration. The airborne geophysical survey that was initially scheduled to commence in April 2019 has been delayed to the end of June 2019 due to equipment availability.

The mapping, prospecting and sampling (124 select samples) program commenced in early May 2019 and focused on the Rabitt Tracks and Frenchman's Pond targets. Preliminary results to date have been encouraging and are outlined below. Analytical results are pending.

The Rabbit Tracks target is located approximately five km southwest of and generally along strike with Sokoman's Moosehead discovery. This target is underlain by extensive quartz-feldspar porphyry intrusive with ubiquitous pyrite and arsenopyrite; several, altered, weakly mineralized mafic dikes and a coarse-grained crystal tuff unit located within fine grained sandstones and siltstones of the Botwood Formation. The work focused on two areas within this target.

The first area hosts exposures of pervasive sericite and silica altered sub-crops and angular boulders believed to be sandstones and siltstones of the Botwood Formation. Sulfide mineralization is common throughout these sub-crops and angular boulders and consists of approximately 1% to 3% fine grained, disseminated pyrite and acicular (<0.5%) arsenopyrite. Historical grab samples from this portion of the Rabitt Tracks target assayed up to 1.8 g Au/t with anomalous antimony and arsenic concentrations in some samples.

The second area is located south of the main Rabitt Tracks, showing where historical grab-chip samples were assayed from 1.1 g Au/t to 6.6 g Au/t. Pervasive silica, sericite and carbonate altered sub-crop and angular boulders extend over a horizontal distance of between 600 to 1,000 m to the south and southwest. Sulfide concentrations range from <0.5% to 3% and consists of fine-grained disseminated pyrite and some arsenopyrite. Quartz veining, stockworks and quartz breccias were also observed.

Mapping and prospecting on the Frenchman's Pond target located an extensive zone of pervasive silicification with chalcedony and sericite alteration containing fine to medium grained pyrite (2% - 5%) along the eastern shore of Frenchman's Pond. This altered zone has been traced over a horizontal distance of approximately 1 km and extend for a distance of at least 50 to 75 m east of the shoreline. In 2008, several grab samples from angular boulders located approximately 1 km north of Frenchman's Pond assayed from 2.9 to 3.4 g Au/t. The main rock type in this target appears to be a highly altered fine-grained sandstone.

Subsequent to April 30, 2019; District entered into separate arm's length agreements to acquire the Duffitt and Island Pond gold properties located either contiguous to or within the Stony Lake project. The historical exploration results for each property is summarized below.

The properties are easily accessible using asphalt and gravel roads along with logging trails.

The Duffitt property (200 ha) borders the northern edge of the Stony Lake project; contiguous to Sokoman Minerals Corp's Moosehead gold project. These claims are located about 1 km west of District's Flyer Grid gold-silver target and immediately west of the prospective Rabbit Tracks gold zone.

Between 1988-1990, preliminary till and lake sediment sampling located highly anomalous concentrations of gold (**"Au"**), arsenic (**"As"**), and antimony (**"Sb"**) – all geochemical indicator elements of gold mineralization in the area within and surrounding the Duffitt property. Outcrop is sparse, but areas of sub-crop and angular boulders with strong silicification and sericite alteration as well as quartz veining and stockwork, occur. Ten grab samples taken from these claims all assayed over 100 parts per billion ("**ppb**") Au and several assayed from 0.5 to 1.8 g Au/t.

The Island Pond property (400 ha) is surrounded by the Stony Lake Project. This property is interpreted to be underlain by the Cape Ray/Valentine Lake structural zone that underlies the length of the Stony Lake project and the Rabbit Tracks gold zones.

Between 1988-1990, till and lake sediment sampling within and surrounding the Island Pond claims located anomalous concentrations of gold, arsenic and antinomy and areas of sub-crop and angular boulders that exhibit strong silicification, sericite alteration and quartz veining and stockwork. Gold concentrations in the eight rock samples collected from the property ranged from 707 (0.71 g Au/t) to 2,682 (2.68 g Au/t) ppb gold. These samples also contained highly anomalous silver (up to 63 g/t silver), arsenic, antimony, copper, lead and zinc concentrations.

District's highly prospective Island Lake-Moccasin gold targets returned anomalous to highly anomalous gold concentrations along with a significant numbers of visible gold grains in till that are located northeast of the Island Pond claims.

For the six months ended April 30, 2019, District incurred exploration expenses of $147,320 on the Stony Lake project, related to the mapping, prospecting and sampling and an airborne geophysical survey.

Eaglehead Property

The Company owns 100% of the Eaglehead copper-molybdenum-gold property; an exploration stage project (15,956 Ha) located in the Liard Mining District in northern British Columbia, approximately 40 kilometers east of Dease Lake. District has no plans to conduct exploration on the property in 2019.

In 2018, District conducted an exploration program to complete re-logging and re-sampling core from historical diamond drill holes located in the Camp, Pass, Bornite and East zones, surveying of diamond drill hole collars and mapping and sampling of exploration targets located north of the Pass and Camp zones.

The 2018 Eaglehead program completed the process of eliminating the legacy data issues that existed in the project data base. The 2018 analytical results did not materially change the previously reported analytical results for the drill holes worked on in 2018. After reviewing the 2018 exploration results coupled with the current lack of market funds for copper projects, District has decided not to conduct any exploration work on the Eaglehead project in 2019.

Due to the decision not to conduct an exploration program in 2019; the Eaglehead project has been placed on care and maintenance. For the six months ended April 30, 2019, District incurred exploration expenses of $86,203 related to camp repairs (due to animal inflicted damage), sample inventory, storage charges and helicopters.

6. SUMMARY OF QUARTERLY RESULTS

The quarterly results are as follows:

	April 30, 2019 3 Months Ended	January 31, 2019 3 Months Ended	October 31, 2018 3 Months Ended	July 31, 2018 3 Months Ended
Loss before non-operating items and taxes	$ 181,890	$ 84,385	$ 504,333	$ 284,581
Net loss	11,057,239	51,324	385,456	284,099
Net Loss per common share, basic and diluted	0.00	0.00	0.00	0.00
Comprehensive loss	11,057,239	51,324	385,456	284,099
Net Comprehensive loss per common share, basic and diluted	0.08	0.00	0.00	0.00

	April 30, 2018 3 Months Ended	January 31, 2018 3 Months Ended	October 31, 2017 3 Months Ended	July 31, 2017 3 Months Ended
Loss before non-operating items and taxes	$ 272,207	$ 77,007	$ 103,611	$ 50,959
Net loss	271,988	76,623	103,599	50,716
Net Loss per common share, basic and diluted	0.00	0.00	0.00	0.00
Comprehensive loss	271,988	76,623	85,099	50,716
Net Comprehensive loss per common share, basic and diluted	0.00	0.00	0.00	0.00

The Company's quarterly operating expenses increased in Q2 2019 compared to Q1 2019 due to an increase in professional fees and marketing costs.

7. DISCUSSION OF OPERATIONS

Three Months Ended April 30, 2019 Compared to Three Months Ended April 30, 2018

For the three months ended April 30, 2019, the Company recorded a comprehensive loss of $11,057,239 or $0.08 per share compared to a comprehensive loss of $271,988 or $0.00 per share in the comparable three months ended April 30, 2018. The increase in comprehensive loss is due to the impairment of Eaglehead, offset by a decrease in consulting fees.

	Three Months Ended April 30, 2019	**Three Months Ended April 30, 2018**	**Discussion**
Accretion	$473	$23	Accretion increased due to the decommissioning provision being increased in Q4 2018.

	Three Months Ended April 30, 2019	Three Months Ended April 30, 2018	Discussion
Consulting	$86,300	$236,417	Consulting decreased due to less consultants being used in Q2 2019.
Director Fees	$4,500	$6,000	Directors' fees decreased due to a reclassification of directors' fees in Q2 2018.
Office	$5,901	$5,409	Office expenses remained relatively unchanged.
Professional Fees	$24,411	$5,756	Professional fees increased due to legal fees increasing, due to the Q2 2019 private placement and acquisition of Stony Lake.
Promotion and Entertainment	$42,100	$431	Promotion and entertainment increased due to the digital marketing campaign in Q2 2019.
Rent	$5,250	$5,250	Rent remained unchanged.
Shareholder Communications	$3,729	$2,856	Shareholder communications increased due to the increase in news releases in Q2 2019.
Transfer Agent and Regulatory Fees	$9,226	$8,360	Transfer agent and regulatory fees remained relatively unchanged.
Travel	$Nil	$1,705	Travel decreased due to there being no travel in Q2 2019.
Interest Income	($269)	($219)	Interest income remained relatively unchanged.
Flow-Through Premium Income	($75,216)	$Nil	Flow-through premium income increased due to the Q3 2018 and Q2 2019 flow-through private placements.
Mineral Property Write Off	$10,950,834	$Nil	Mineral property write off increased due to the impairment of the Eaglehead property in Q2 2019.

Six Months Ended April 30, 2019 Compared to Six Months Ended April 30, 2018

For the six months ended April 30, 2019, the Company recorded a comprehensive loss of $11,028,563 or $0.10 per share compared to a comprehensive loss of $348,611 or $0.01 per share in the comparable six months ended April 30, 2018. The decrease in comprehensive loss is due to an increase in flow through premium income offset by an increase in consulting fees.

	Six Months Ended April 30, 2019	Six Months Ended April 30, 2018	Discussion
Accretion	$946	$46	Accretion increased due to the decommissioning provision being increased in Q4 2018.
Consulting	$126,700	$288,167	Consulting decreased due to less consultants being used in Q2 2019.
Director Fees	$9,500	$9,000	Directors' fees remained relatively unchanged.
Office	$11,846	$7,168	Office expenses increased due to an increase in activity in Q1-Q2 2019.
Professional Fees	$28,791	$9,584	Professional fees increased due to legal fees increasing, due to the Q2 2019 private placement and the acquisition of Stony Lake.
Promotion and Entertainment	$42,100	$1,523	Promotion and entertainment increased due to the digital marketing campaign in Q2 2019.
Rent	$10,500	$10,500	Rent remained unchanged.
Shareholder Communications	$6,388	$10,906	Shareholder communications decreased due to the Company securing a flat monthly fee for news releases.
Transfer Agent and Regulatory Fees	$29,504	$10,614	Transfer agent and regulatory fees increased due to the Company entering into a DTC advisory agreement in order to be eligible to trade in the United States.
Travel	$Nil	$1,705	Travel decreased due to there being no travel in Q1-Q2 2019.
Interest Income	($652)	($602)	Interest income remained relatively unchanged.
Flow-Through Premium Income	($107,894)	$Nil	Flow-through premium income increased due to the Q3 2018 and Q2 2019 flow-through private placements.
Mineral Property Write Off	$10,950,834	$Nil	Mineral property write off increased due to the impairment of the Eaglehead property in Q2 2019.

8. LIQUIDITY AND CAPITAL RESOURCES

Liquidity

As an exploration company, District has no regular cash in-flow from operations, and the level of operations is principally a function of availability of capital resources. To date, the principal source of funding has been equity financing.

As at April 30, 2019, the Company had a cash balance of $227,839 (October 31, 2018 - $373,434). For the foreseeable future, the Company will continue to seek capital through the issuance of equity, strategic alliances or joint ventures and debt.

Major expenditures are required to establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a site. The recoverability of valuations assigned to exploration and development mineral properties are dependent upon the discovery of economically recoverable reserves, the ability to obtain necessary financing to complete exploration, development and future profitable production or proceeds from disposition of mineral assets.

Management reviews the carrying value of the Company's interest in each property and where necessary, exploration and evaluation mineral properties are written down to their estimated recoverable amount or written off.

Although management has made its best estimate of these factors, it is reasonably possible that certain events could adversely affect management's estimates of recoverable amounts and the need for, as well as the amount of, provision for impairment in the carrying value of exploration properties and related assets.

Many factors influence the Company's ability to raise funds, and there is no assurance that the Company will be successful in obtaining adequate financing and at favorable terms for these or other purposes including general working capital purposes. District's audited annual financial statements have been prepared on a going concern basis, which contemplates the realization of assets and settlement of liabilities in the normal course of business for the foreseeable future. Realization values may be substantially different from carrying values, as shown, and these financial statements do not give effect to the adjustment that would be necessary to the carrying values and classifications of assets and liabilities should District be unable to continue as a going concern.

Working Capital

As at April 30, 2019, District had a working capital of $132,423 (October 31, 2018 – $184,162). The working capital increased in Q2 2019 compared to Q1 2019 due to the February 8, 2019 private placement. The Company manages its working capital by tightly controlling its operational and property spending. Due to the planned exploration of

the Stony Lake gold project in fiscal 2019, District intends to continue to incur expenditures without revenues, and accumulate operating losses. Therefore, the Company's continuance as a going concern is solely dependent upon its ability to obtain adequate financing necessary to fund future exploration and development. It is not possible to predict whether future financing efforts will be successful or whether financing on favorable terms will be available.

District has no long-term debt and no long-term liabilities, other than its decommissioning provision of $236,273 (October 31, 2018 - $235,327). The Company has no capital lease obligations, operating or any other long-term obligations, other than its monthly office rent of $1,750.

Cash Flow Highlights

		Six Months Ended April 30, 2019		Six Months Ended April 30, 2018
Cash used in operating activities	$	(308,069)	$	(369,229)
Cash used in investing activities		(406,501)		(185,896)
Cash provided by financing activities		568,975		1,269,834
Decrease in cash for the period		(145,595)		714,709
Cash, beginning of year		373,434		72,048
Cash, End of Period	$	227,839	$	786,757

Capital Risk Management

District Copper's capital structure consists of common shares, stock options and warrants. The Company manages its capital structure and adjusts it, based on available funds, to support the acquisition and exploration of mineral properties. The Board does not establish quantitative returns on capital criteria for management.

The properties in which District currently has an interest are in the exploration stage. As such, the Company is dependent on external financing to fund its activities. To carry out and pay for planned exploration and development, along with operating administrative costs, the Company will fund such costs out of anticipated future working capital predicated upon additional amounts being raised.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the six months ended April 30, 2019. The Company's invests its surplus cash in highly liquid short-term interest-bearing investments with maturities of six months or less from the original date of acquisition, all held with major Canadian financial institutions.

9. TRANSACTIONS WITH RELATED PARTIES

Key management personnel are the persons responsible for the planning, directing and controlling of the Company's activities, and include executive directors, as well as entities controlled by such persons.

At April 30, 2019, included in accounts payable and accrued liabilities is $6,875 (October 31, 2018 – $3,125) owing to a company controlled by a director, $Nil (October 31, 2018 – $4,725) owing to a company controlled by an officer, $Nil (October 31, 2018 - $19,275) owing to an officer and a director of the Company and $39,660 (October 31, 2018 - $43,053) owing to Copper Fox.

For the six months ended April 30, 2019, $Nil (October 31, 2018 - $6,250) was paid and capitalized to Eaglehead for services rendered by a company that is controlled by a director.

As at April 30, 2019 and October 31, 2018, coupled with the six months ended April 30, 2019 and 2018, the Company incurred the following capitalizations and expenditures for key management personnel and the companies that are directly controlled by them.

		As at April 30, 2019		As at October 31, 2018
Statement of Financial Position Item				
Exploration and evaluation assets	**$**	**-**	$	6,250
Total	**$**	**-**	$	6,250

		Six Months Ended April 30, 2019		Six Months Ended April 30, 2018
Statement of Operations Items				
Consulting	**$**	**102,000**	$	69,667
Director fees		**9,500**		9,000
Total	**$**	**111,500**	$	78,667

10. FINANCIAL INSTRUMENTS AND RELATED RISKS

The Board, through the Audit Committee, is responsible for identifying the principal risks facing the Company and ensuring that risk management systems are implemented. The Company manages its exposure to financial risks, including credit risk, liquidity risk, interest rate risk, foreign exchange rate risk and commodity price risk in accordance with its risk management framework. The Board periodically reviews the Company's policies.

The following table sets forth the Company's financial assets that are measured at fair value on a recurring basis by level within the fair value hierarchy. As at April 30, 2019, those financial assets were classified in their entirety based on the level of input that is significant to the fair value measurement.

The Company's financial assets, measured at fair value, are categorized as follows:

		As at April 30, 2019		As at October 31, 2018	
	Input Level	**Carrying Amount**	**Estimated Fair value**	Carrying Amount	Estimated Fair Value
Financial Assets					
Cash	**1**	**$ 227,839**	**$ 227,839**	$ 373,434	$ 373,434
Total		**$ 227,839**	**$ 227,839**	$ 373,434	$ 373,434

Fair Value

The estimated fair values of accounts payables approximate their respective carrying values due to the immediate or relatively short period to maturity.

The Company utilizes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value as follows

Level 1 - Unadjusted quoted prices at the measurement date for identical assets or liabilities in active markets;

Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 - Significant unobservable (no market data available) inputs which are supported by little or no market activity.

Risk Management

Risk management is carried out by the Company's management team with guidance from the Board of Directors. The Company's risk exposures and their impact on the Company's financial instruments are summarized below

a) Credit Risk

The Company does not currently generate any revenues from sales to customers nor does it hold derivative type instruments that would require a counterparty to fulfill a contractual obligation. The Company does not have any asset-backed commercial instruments. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash and short-term investments. To minimize the credit risk the Company places cash with the high credit quality financial institutions. The Company considers its exposure to credit risk to be insignificant.

b) Liquidity Risk

Liquidity risk is the risk that the Company cannot meet its financial obligations. The Company manages liquidity risk and requirements by maintaining enough cash balances and or through additional financings to ensure that there is enough capital to meet short term obligations. As at April 30, 2019, the Company had a cash balance of $227,839 (October 31, 2018 - $373,434) and current financial liabilities of $56,440 (October 31, 2018 - $158,194) which have contractual maturities of 30 days or less.

The Company will require additional sources of equity, joint venture partnership or debt financing to fund ongoing operations and the exploration and development of its mineral properties.

If the Company is not able to obtain adequate additional funding to continue as a going concern, material adjustments would be required to both the carrying value and classification of assets and liabilities on the statement of financial position. It is not possible to predict, due to many external factors including commodity prices and equity market conditions, as to whether future financing will be successful or available at all.

c) Market Risk

i) Interest Rate Risk

The Company manages its interest rate risk by obtaining commercial deposit interest rates available in the market by the major Canadian financial institutions on its cash and investments.

ii) *Foreign Exchange Risk*

The Company's functional currency and the reporting currency is the Canadian dollar. Periodically the Company incurs charges on its operations for settlement in currencies other than its functional currency and any gain or loss arising on such transactions is recorded in operations for the year.

The Company does not participate in any hedging activities to mitigate any gains or losses which may arise because of exchange rate changes.

As at April 30, 2019, the Company held no financial assets or liabilities which were denominated in currencies other than the Canadian dollar.

iii) *Commodity 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. To mitigate price risk, the Company closely monitors commodity prices of precious metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

11. RISKS AND UNCERTAINTIES

A discussion of the risks and uncertainties that District faces can be found in the Company's audited annual financial statements for the year ended October 31, 2018 (available under District Copper's SEDAR profile at www.sedar.com). Furthermore, additional risks and uncertainties not presently known to the Company or that the Company currently considers immaterial may also impair its business operations in the future.

12. PROPOSED TRANSACTIONS

District does not currently have any proposed transactions; however, the Company from time to time does review potential property acquisitions and divestitures, in addition to conducting further exploration work on its property. The Company releases appropriate public disclosure as it conducts exploration work on its existing property and if the Company acquires or divestiture.

13. DISCLOSURE OF OUTSTANDING SHARE DATA

Common Shares

a) *Authorized*

An unlimited number of common shares without par value.

b) *Issued and Outstanding*

During the six months ended April 30, 2019, the Company incurred the following share issuance:

- On February 8, 2019, the Company issued 5,900,000 flow-through units and 5,900,000 non-flow-through units at a cost of $0.05 each per unit, pursuant to a private placement, for gross proceeds of $590,000. Each flow-through unit consists of one common share and one-half share purchase warrant, which can be exercised at $0.075 until August 8, 2020. Each non-flow-through unit consists of one common share and one share purchase warrant, which can be exercised at $0.05 until August 8, 2020.

  The warrants have an early acceleration provision wherein the warrants will become callable on 21 days' notice in the event the Company's shares trade at a price of $0.12 per share or greater for a 14 consecutive day trading period at any time after June 9, 2019.

  Finders' fees of 200,000 shares, valued at $6,000, 300,000 warrants, valued at $6,177, exercisable at $0.05 until August 8, 2020, and legal fees of $21,025 were paid with respect to this financing.

  The value of the finders' warrants was calculated using Black Sholes with an exercise price of $0.05, an expected life of 18 months, a volatility rate of 188.10% and a risk-free rate of 1.77%.

  In connection with this placement, a $118,000 flow-through premium liability was incurred as a result of there being a $0.02 premium per share sold. The liability will be extinguished once all the flow-through money raised has been spent on the Stony Lake project. As of April 30, 2019, the remaining flow-through premium liability was $53,590 (October 31, 2018 - $Nil), with the reduction of $64,410 recorded as flow-through premium income in fiscal 2019.

During the year ended October 31, 2018, the Company incurred the following share issuances:

- On March 29, 2018, the Company issued 18,750,000 units at $0.08 per unit, pursuant to a private placement, for gross proceeds of $1,500,000. Each unit consists of one common share and one share purchase warrant. Each share purchase warrant is exercisable into one common share at $0.12 until March 29, 2020.

  The warrants have an early acceleration provision wherein the warrants will become callable on 21 days' notice in the event the Company's shares trade at a price of $0.25 per share or greater for a 30-day trading period.

  Finders' fees of $48,048, filing fees of $7,500 and legal fees of $47,608 were paid with respect to this financing.

- On May 8, 2018, the Company issued 3,900,000 common shares at a value of $624,000 for contiguous mineral tenures at the Eaglehead property.

- On July 12, 2018 the Company issued 6,470,352 flow-through shares, pursuant to a private placement, for gross proceeds of $549,980.

  Finders' fees of $30,000, filing fees of $1,382, legal fees of $32,883 and the issuance of 352,942 finder's warrants were paid with respect to this financing.

  Each finders' warrant is exercisable into one common share at $0.085 until July 12, 2020.

In connection with this placement, a $161,759 flow-through premium liability was incurred as a result of there being a $0.025 premium per share sold. The liability will be extinguished once all the flow-through money raised has been spent on the Eaglehead project. As of April 30, 2019, the remaining flow-through premium liability was $Nil (October 31, 2018 - $43,484), with the reduction of $161,759 recorded as flow-through premium income in fiscal 2018 and 2019.

c) *Warrants*

A summary of changes in share purchase warrants as of the date of this MD&A and the year ended October 31, 2018 is as follows:

	As at June 26, 2019		Year Ended October 31, 2018	
	Number of Warrants Outstanding	**Weighted Average Exercise Price**	Number of Warrants Outstanding	Weighted Average Exercise Price
Balance, Beginning of Year	**23,352,942**	**$ 0.116**	4,250,000	$ 0.100
Expired	**(4,250,000)**	**0.100**	-	-
Issued	**9,150,000**	**0.058**	19,102,942	0.119
Balance, End of Period	**28,252,942**	**$ 0.010**	23,352,942	$ 0.116

As at June 26, 2019 share purchase warrants outstanding and exercisable are as follows:

Number of Warrants Outstanding	**Warrant Exercise Price**	**Warrants That Are Exercisable**	**Warrant Expiry Date**
18,750,000	0.120	18,750,000	March 29, 2020
352,942	0.085	352,942	July 12, 2020
6,200,000	0.075	6,200,000	August 8, 2020
2,950,000	0.050	2,950,000	August 8, 2020
28,252,942	**$ 0.010**	**28,252,942**	

As at April 30, 2019, the weighted average remaining contractual life of the share purchase warrants was 1.036 years (October 31, 2018 – 1.218 years) and the weighted average exercise price was $0.097 (October 31, 2018 - $0.116).

d) *Stock Options*

As at the date of this MD&A, options outstanding for the purchase of common shares are as follows:

Amount of Shares	Price Per Share	Amount Exercisable	Expiry Date
1,725,000	$ 0.14	1,725,000	July 9, 2019
450,000	$ 0.10	450,000	April 29, 2020
175,000	$ 0.10	175,000	October 16, 2020
2,350,000	$ 0.13	**2,350,000**	

14. OFF-BALANCE SHEET ARRANGEMENTS

During the six months ended April 30, 2019, the Company was not party to any off-balance-sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations, financial condition, revenues or expenses, liquidity, capital expenditures or capital resources of the Company.

15. CHANGES IN ACCOUNTING STANDARDS

There were no changes in the Company's accounting policies during the six months ended April 30, 2019. New and revised accounting standards and interpretations issued but not yet adopted are described in Note 2, "*Basis of Presentation*", of the audited financial statements for the year ended October 31, 2018.

16. CRITICAL ACCOUNTING ESTIMATES

The preparation of these financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions which affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses for the periods reported. The Company bases its estimates and assumptions on current and various other factors that it believes to be reasonable under the circumstances. Management believes the estimates are reasonable; however, actual results could differ from those estimates and could impact future results of operations and cash flows.

The areas which require management to make significant estimates and assumptions in determining carrying values include, but are not limited to

Exploration and Evaluation Expenditures

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is impaired in the Statement of Operations and Comprehensive Loss during the period the new information becomes available.

Depreciation

Significant judgment is involved in the determination of useful life and residual values for the computation of depreciation and no assurance can be given that actual useful lives and residual values will not differ significantly from current assumptions.

Impairment

The carrying value of property and equipment is reviewed each reporting period to determine whether there is any indication of impairment. If the carrying amount of an asset exceeds its recoverable amount, the asset is impaired, and an impairment loss is recognized in the statement of operations and comprehensive loss. The assessment of fair values, including those of the cash generating units (the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflow from other assets or groups of assets) ("**CGUs**") for purposes of testing goodwill, require the use of estimates and assumptions for recoverable

production, long-term commodity prices, discount rates, foreign exchange rates, future capital requirements and operating performance. Changes in any of the assumptions or estimates used in determining the fair value of goodwill or other assets could impact the impairment analysis.

Site Closure and Decommissioning Provisions

The Company assesses its mineral property's decommissioning provision at each reporting date or when new material information becomes available. Exploration, development and mining activities are subject to various laws and regulations governing the protection of the environment. In general, these laws and regulations are continually changing, and the Company has made, and intends to make in the future, expenditures to comply with such laws and regulations. Accounting for decommissioning obligations requires management to make estimates of the future costs that the Company will incur to complete the reclamation work required to comply with existing laws and regulations at each location. Actual costs incurred may differ from those amounts estimated.

Also, future changes to environmental laws and regulations could increase the extent of reclamation and remediation work required to be performed by the Company. Increases in future costs could materially impact the amounts charged to operations for reclamation and remediation. The provision represents management's best estimate of the present value of the future decommissioning obligation. The actual future expenditures may differ from the amounts currently provided.

Title to Mineral Properties

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

Contingencies

The assessment of contingencies involves the exercise of significant judgment and estimates of the outcome of future events. In assessing loss contingencies related to legal proceedings that are pending against the Company and that may result in regulatory or government actions that may negatively impact the Company's business or operations, the Company and its legal counsel evaluate the perceived merits of the legal proceeding or un-asserted claim or action as well as the perceived merits of the nature and amount of relief sought or expected to be sought, when determining the amount, if any, to disclose as a contingent liability or when assessing the impact on the carrying value of the Company's assets. Contingent assets are not recognized in the Company's financial statements.

17. APPROVAL

The Audit Committee of District Copper Corp. has reviewed and approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it and it is also available under our SEDAR profile at www.sedar.com.