DEFENSE METALS CORP.
MANAGEMENT'S DISCUSSION AND ANALSIS FOR THE PERIOD ENDED SEPTEMBER 30, 2020
(All amounts expressed in Canadian dollars, unless otherwise stated)

This Management Discussion and Analysis ("MD&A") presents an analysis of the financial position of Defense Metals Corp. ("Defense" or "DEFN" or the "Company") and prospects for the period ended September 30, 2020. The MD&A should be read in conjunction with the six months ended September 30, 2020 interim financial statements of the Company and related notes, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"), in addition to the March 31, 2020 audited financial statements of the Company and the related notes. The Company's reporting currency is the Canadian dollar and all amounts in this MD&A are expressed in the Canadian dollar.

Management's Responsibility

The Company's management is responsible for the preparation and presentation of the financial statements and the MD&A. The financial statements have been prepared in accordance with International Financial Accounting Standards ("IFRS") as issued by the International Accounting Standards Board. This MD&A has been prepared in accordance with the requirements of securities regulators, including National Instrument 51-102 of the Canadian Securities Administrators.

Forward-Looking Statements

This MD&A may contain forward-looking statements based on assumptions and judgments of management regarding events or results that may prove to be inaccurate as a result of exploration or other risk factors beyond its control. Actual results may differ materially from the expected results.

Except for statements of historical fact, this MD&A contains certain "forward-looking information" within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. In particular, forward-looking information in this MD&A includes, but is not limited to, statements with respect to future events and is subject to certain risks, uncertainties and assumptions. Although we believe that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. We cannot guarantee future results, performance or achievements. Consequently, there is no representation that the actual results achieved will be the same, in whole or in part, as those set out in the *forward-looking information.*

Forward-looking information is based on the opinions and estimates of management at the date the statements are made, which are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking information. Some of the risks and other factors that could cause results to differ materially from those expressed in the forward-looking statements include, but are not limited to: general economic conditions in Canada, the United States and globally; industry conditions, including fluctuations in commodity prices; governmental regulation of the mining industry, including environmental regulation; geological, technical and drilling problems; unanticipated operating events; competition for and/or inability to retain drilling rigs and other services; the availability of capital on acceptable terms; failure to maintain or obtain all necessary government permits, approvals and authorizations; the impact of Covid-19 or other viruses and diseases on the Company's ability to operate; failure to maintain community acceptance (including First Nations); increase in costs; litigation; failure of counterparties to perform their contractual obligations; the need to obtain required approvals from regulatory authorities; stock market volatility; volatility in market prices for commodities; liabilities inherent in mining operations; changes in tax laws and incentive programs relating to the mining industry; and the other factors described herein under "Risks and Uncertainties" as well as in our public filings available at www.sedar.com. Readers are cautioned that this list of risk factors should not be construed as exhaustive.

The forward-looking information contained in this MD&A is expressly qualified by this cautionary statement. We undertake no duty to update any of the forward-looking information to conform such information to actual results or to changes in our expectations except as otherwise required by applicable securities legislation. Readers are cautioned not to place undue reliance on forward-looking information.

This MD&A is current as at November 27, 2020.

Scientific and Technical Disclosure

The scientific and technical information contained in this MD&A has been reviewed and approved by Kristopher J. Raffle, P.Geo. (BC) Principal and Consultant of APEX Geoscience Ltd. of Edmonton, AB, a Director of the Company and a "Qualified Person" as defined in National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*.

BACKGROUND AND RESOURCE ESTIMATES

The Company is an exploration stage company engaged in the acquisition and exploration of mineral properties with its focus on the Wicheeda Rare Earth Elements deposit located near Prince George, British Columbia (the "Wicheeda Project"). The Wicheeda Project has an ***indicated mineral resource of 4,890,000 tonnes*** averaging 3.02% LREO (Light Rare Earth Elements), and ***inferred resources of 12,100,000 tonnes averaging 2.90% LREO***. Technical Report on the Wicheeda Property, British Columbia, effective June 27, 2020 and prepared by APEX Geoscience Ltd. (Steven J. Nicholls, B.A. Sc., MAIG and Kristopher J. Raffle, B.Sc., P.Geo) is available under the Company's profile on SEDAR (www.sedar.com).

The Company's primary business objective is to successfully earn into its key mineral project and locate and develop this project into an economically viable mineral property. The Company is primarily a junior exploration company with no revenues from mineral producing operations. The recoverability of amounts shown for the mineral property and related deferred exploration expenditures is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the exploration of the property, and upon future profitable production. The Company received TSXV regulatory approval to change its name from First Legacy Mining Corp. to its current name effective from December 27, 2018.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. The impact of the COVID-19 pandemic has major implications for all economic activities, including that of the Company. At this time, it is not possible to predict the duration or magnitude of the adverse results of the outbreak, however, management believes that the impact to the Company will be limited mainly to the curtailment of travel and access to mineral projects due to travel and social distancing restrictions as well as its ability to raise financing. There has been no material disruption to the Company's current operations to date. The Company's current focus is on its project located in British Columbia, Canada and as a result, access to the property is not prohibited at the current time.

QUARTERLY HIGHLIGHTS

- Further developed the Company's Wicheeda Project; see Wicheeda Option discussion below.

- Completed equity financings through the period to support operations and development of the Wicheeda Project.

MINERAL PROPERTIES

Wicheeda Option

On November 22, 2018, the Company entered into an option agreement to acquire all the issued and outstanding shares of Spectrum Mining Corporation ("Spectrum") which is the beneficial and registered holder of 100% interest in six mining claims located in the Cariboo Mining Division of British Columbia, Canada known as the Wicheeda Rare Earth Element (REE) Project. In order to exercise the option, the Company must meet the following requirements:

a) incur expenditures in respect of the Property totaling $1,930,000 as follows:
   i. $680,000 within 12 months of the date of TSXV approval ("Effective Date") (fully incurred);
   ii. an additional $625,000 within 24 months of the Effective Date (fully incurred); and
   iii. an additional $625,000 within 36 months of the Effective Date.

(b) pay to Spectrum an aggregate of $370,000 as follows:
   i. $25,000 in cash (paid)
   ii. $95,000 in cash within five (5) business days of the Effective Date (paid);
   iii. $50,000 in cash on or before the first anniversary of the Effective Date (paid);
   iv. $100,000 in cash on or before the second anniversary of the Effective Date; and
   v. $100,000 in cash on or before the third anniversary of the Effective Date.

(c) issue to Spectrum:
   i. 200,000 common shares of the Company on the Effective Date (issued); and
   ii. $50,000 in common shares of the Company on or before the first anniversary of the Effective Date (issued).

Once all of the requirements have been met, the Company may exercise its option through the following:

(d) Issue common shares to the shareholders of Spectrum equal to 49% of the issued and outstanding shares of the Company at the time of the issuance; and
(e) Pay $100,000 in cash.

On January 8, 2019 the Company announced collection of a 30 tonne surface bulk sample form the Wicheeda Deposit, which was shipped to SGS Minerals Lakefield, ON ("SGS") facility. The bulk sample was to proide REE mineralized feed material for a for multi-phase program of bench-scale metallurgical testwork preparatory to commissioning larger scale flotation pilot plant testing. Subsequent composite head assay results announced March 14, 2019 for the 30 tonne bulk sample yielded 1.77% lanthanum-oxide, 2.34% cerium-oxide, 0.52% neodymium-oxide, and 0.18% praseodymium-oxide, for a total of 4.81% LREO (light rare-earth oxide).

On October 23, 2019 the Company announced the results from a total of 40 batch flotation tests competed by SGS designed to produce an optimized Wicheeda process flowsheet through iterative test procedures with varying process conditions informed the final Locked-Cycle Test ("**LCT**") that successfully produced **(Table 1)**:

- 48.7% total rare earth oxide (TREO) high grade concentrate of cerium, lanthanum, neodymium, and praseodymium oxides (Ce_2O_3+La_2O_3+Nd_2O_3+ Pr_2O_3)

- 85.7% TREO metallurgical recovery
- 10.1 times upgrading ratio from head grade of 4.81% TREO
- 8.2% concentrate mass yield

Table 1: Wicheeda Rare Earth Deposit Locked-Cycle Test Results

Combined Products	Weight		Assays %					Global Distribution %				
	g	%	Ce_2O_3	La_2O_3	Nd_2O_3	Pr_2O_3	REO	Ce_2O_3	La_2O_3	Nd_2O_3	Pr_2O_3	REO
LCT-1 REE 3rd Cl Conc	1,050	8.2	23.7	17.9	5.26	1.84	48.7	85.4	86.6	85.6	82.0	85.7
LCT-1 REE 1st Cl Scav Tail	2,093	16.4	0.47	0.32	0.09	0.03	0.91	3.4	3.1	3.0	3.0	3.2
LCT-1 REE Ro Scav Tail	9,643	75.4	0.34	0.23	0.08	0.04	0.69	11.3	10.3	11.4	15.0	11.1
Total Feed	12,786	100	2.28	1.70	0.50	0.18	4.66	100	100	100	100	100
Direct Feed			2.34	1.77	0.52	0.18	4.81					

On December 12, 2019 the Company announced assay results for the final two drill holes of the recently completed 2019 resource definition diamond drill program. The 2019 Wicheeda REE Deposit drill program, which commenced August 12, 2019, comprised 13 diamond drill holes totalling 2,007.5 metres. Drill hole WI19-31 (-55° dip / 275° azimuth) was drilled to test the northern extension of the Wicheeda REE Deposit and returned 4.43% Light Rare Earth Oxide (LREO; being cerium, lanthanum, neodymium, praseodymium, and samarium oxides (Ce_2O_3 + La_2O_3 + Nd_2O_3 + Pr_2O_3 + Sm_2O_3) over a drill core interval of 83 metres; including an interval assaying 5.47% LREO over a drill core interval of 33 metres [1]; the highest grade drill intercepts to date at the Wicheeda Project **(Table 2)**.

Table 2: Significant Wicheeda REE Project 2019 Diamond Drill Intercepts

Hole ID	From (m)	To (m)	Interval (m)	Ce_2O_3 (%)	La_2O_3 (%)	Nd_2O_3 (%)	Pr_2O_3 (%)	Sm_2O_3 (%)	LREO (%)
WI19-20	4.6	68.8	64.2	2.1	1.54	0.46	0.18	0.04	4.32
WI19-21	3.9	114	110.1	1.57	1.16	0.36	0.14	0.04	3.26
WI19-22	7	113	106	1.31	0.98	0.28	0.11	0.03	2.71
WI19-23	4	109	105	1.49	1.14	0.34	0.13	0.03	3.12
WI19-24	2.9	83	80.1	1.18	0.83	0.29	0.1	0.03	2.43
WI19-25	1.1	143.4	142.3	1.08	0.78	0.24	0.09	0.03	2.22
including	1.1	25	23.9	1.89	1.42	0.39	0.14	0.04	3.87
and	60	83	23	1.9	1.42	0.43	0.15	0.04	3.93
WI19-26	1.8	128	126.2	1.34	1.07	0.29	0.1	0.03	2.82
including	32	80	48	1.99	1.61	0.42	0.15	0.04	4.21
WI19-27	2	120.3	118.3	1.22	0.92	0.27	0.1	0.03	2.54
WI19-28	3.2	72.6	69.5	1.17	0.9	0.27	0.1	0.03	2.46
WI19-29	73	162	89	1.44	1.07	0.35	0.12	0.04	3.01
WI19-30	47	177.8	130.8	1.24	0.91	0.31	0.11	0.03	2.59
including	47	74	27	2.11	1.59	0.5	0.18	0.05	4.43
WI19-31	55.7	138.5	82.9	2.08	1.6	0.51	0.19	0.05	4.43
including	64	97	33	2.58	1.96	0.64	0.23	0.06	5.47

WI19-32	86	114	28	1.25	1.01	0.3	0.11	0.03	2.71
and	142	217	75	1.74	1.33	0.37	0.14	0.04	3.63
including	151	209	58	1.92	1.49	0.4	0.16	0.04	4.01

On February 18, 2020 the Company announced final bench-scale hydrometallurgical test program results from SGS. Samples of Wicheeda flotation concentrate used in a hydrometallurgical test program led to the successful development of a flowsheet capable of processing the concentrate to a high grade mixed REE hydroxide precipitate. Significant results of the hydrometallurgical test program include:

- Initial processing via mild hydrochloric acid leach to extract gangue minerals while leaving REE (Rare Earth Elements) in the leach residue.
- High REE extraction from flotation concentrate of ~ 90% into a chloride based leach solution with opportunities identified to increase recoveries even further.
- Simple treatment of the leach solution with limestone achieved high (94-100%) removal of impurities such as iron, phosphorous, and thorium with only minor (2-4 %) REE losses.
- Simple treatment of purified liquor with hydrated lime led to the production of a high grade 67.5% TREE (Total REE, see **Table 3** for detailed composition) mixed REE hydroxide precipitate at high (99-100%) Critical REE recovery from solution.
- Overall recoveries of 70-75% TREE from bulk sample to a high grade mixed REE hydroxide precipitate, and up to 76-78% TREE with reprocessing of the final leach residue.
- Regeneration of 20% (w/w) hydrochloric acid from final process liquors for re-use in the leaching operation.

Table 3: Final REE Hydroxide Product Assay

REE Hydroxide Precipitate (g/t)		REE Hydroxide Precipitate (%)	
La	224000	Si	0.26
Ce	333000	Al	0.06
Pr	27500	Fe	0.03
Nd	76400	Mg	<0.01
Sm	7210	Ca	0.03
Eu	1606	Na	-
Gd	3720	K	<0.01
Tb	260	Ti	<0.01
Dy	718	P	<0.01
Ho	51.6	Mn	0.02
Y	<700		
Er	55		
Tm	2.6		
Yb	4.1		
Lu	<0.5		
Sc	<40		
Th	5.4		
U	2		
TREE (%)	67.5		
LREE (%)	66.8		
HREE (%)	0.7		

On February 24, 2020 the Company announced that it had informed SGS of its intention to move forward with pilot plant processing of the Wicheeda bulk sample. The pilot plant will treat up to 30 tonnes of material in a continuous manner over 180 hours of operation, at an anticipated feed-rate of approximately 150 kg per hour. The approach will be to first commission the circuit in mid-June. This will be followed by a series of optimization runs through later June / early July. A continuous 48 hour run will serve to confirm metallurgy over extended operation in later July.The objectives of pilot plant testing are to:

- Confirm metallurgy in a pilot plant environment;
- Generate data to support engineering; and
- Produce a large amount of concentrate for downstream hydrometallurgy testing.

On May 13, 2020 the Company announced completion of an updated Mineral Resource Estimate ("MRE") with respect to the Wicheeda Rare Earth Element (REE) Project. Highlights of the updated MRE include:

- 49% increase in overall tonnage[1] of Updated Wicheeda REE Project MRE based on the results of 2019 diamond drilling of 13 holes totaling 2,007.5 metres;
- 30% increase in overall average grade[1], in part though the incorporation of potentially economically significant praseodymium not previously estimated;
- Conversion of 4,890,000 tonnes to Indicated Resources[1] previously defined as Inferred;
- Increased Inferred Resources by 730,000 tonnes in comparison to Defense Metals Initial Wicheeda MRE[1]; and
- Potential for expansion of the Wicheeda Deposit to the north and west in the down plunge direction.

[1]In comparison to Defense Metals Initial Wicheeda MRE. Details with respect to the Initial Wicheeda REE Deposit MRE are summarized in the Defense Metals NI 43-101 technical report titled "Wicheeda Rare Earth Element Project, British Columbia, Canada" effective date of June 20, 2019 available on SEDAR at www.sedar.com.

The updated Wicheeda MRE comprises an Indicated Mineral Resource of 4,890,000 tonnes averaging 3.02% LREO (Light Rare Earth Oxide), in addition to Inferred Mineral Resource of 12,100,000 tonnes averaging 2.90% LREO reported at a cut-off grade of 1.5% LREE (sum of cerium (Ce), lanthanum (La), neodymium (Nd), praseodymium (Pr), and samarium (Sm); in addition to niobium (Nb) percentages as metal). The lower cut-off grade was established based on consideration of metal price and concentrate payable, metallurgical recovery, and operating cost assumptions and uncertainty. The resource, constrained by applying a conceptual Lerchs-Grossmann (LG) pit shell, is provided in **Table 4** below, which includes a review of the MRE at a range of cut-off grades. On June 29, 2020 the Company announced filing of an updated technical report to support disclosure of the updated MRE titled "Technical Report on the Wicheeda Rare Earth Element Property, British Columbia, Canada" having an effective date of June 27, 2020 was subsequently filed and is available on SEDAR at www.sedar.com. The "Technical Report" also specifies recommendations on an exploration program comprising geological mapping and diamond drilling program for which the Company will follow through with specific details to come in future news releases through 2020 and 2021.

Table 4: Indicated and Inferred Resource for LREE and Sensitivity Analysis

Category	Cutoff (TOTAL METAL%[2])	Tonnes > Cutoff (tonnes)	Grade > Cutoff							
			Ce (%)	La (%)	Nd (%)	Pr (%)	Sm (%)	Nb (%)	LREE[3] (%)	LREO[4] (%)
Indicated	1.0	5,150,000	1.22	0.91	0.26	0.10	0.02	0.02	2.52	2.95
	1.5	**4,890,000**	**1.26**	**0.94**	**0.26**	**0.11**	**0.02**	**0.02**	**2.58**	**3.02**
	2.0	3,950,000	1.35	1.01	0.28	0.11	0.02	0.02	2.77	3.25
	2.5	2,390,000	1.53	1.14	0.31	0.13	0.02	0.02	3.12	3.66
	3.0	1,140,000	1.76	1.31	0.35	0.15	0.02	0.02	3.57	4.19
	3.5	500,000	2.01	1.48	0.38	0.17	0.02	0.02	4.05	4.75
Inferred	1.0	13,770,000	1.13	0.83	0.25	0.10	0.04	0.02	2.33	2.72
	1.5	**12,100,000**	**1.20**	**0.89**	**0.27**	**0.10**	**0.02**	**0.04**	**2.48**	**2.90**
	2.0	8,890,000	1.33	0.99	0.29	0.11	0.02	0.03	2.75	3.22
	2.5	5,320,000	1.50	1.13	0.33	0.13	0.03	0.03	3.11	3.65
	3.0	2,670,000	1.70	1.29	0.37	0.14	0.03	0.02	3.53	4.14
	3.5	1,190,000	1.90	1.45	0.41	0.16	0.04	0.02	3.95	4.63

[2]Total Metal % cut-off expressed as the sum of Ce+La+Nd+Pr+Sm+Nb percentages
[3]LREE % sum of light rare earth element Ce+La+Nd+Pr+Sm percentages
[4]LREO % sum of light rare earth elements expressed as oxides Ce_2O_3+La_2O_3+Nd_2O_3+Pr_2O_3+Sm_2O_3

Notes for Resource Table:

- *The Mineral Resource Estimate was prepared by Steven J. Nicholls (M AIG), and Warren Black, M.Sc., P.Geo. of APEX Geoscience Ltd., with geological modelling contribution by Kristopher J. Raffle. P.Geo. of APEX Geoscience Ltd. and a director of Defense Metals, in accordance with CIM Definition Standards and NI 43-101, with an effective date of June 27, 2020.*
- *Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. There has been insufficient exploration to allow for the classification of the indicated and inferred resources tabulated as a measured mineral resource, however, it is reasonably expected that the majority of the indicated and inferred mineral resources could be upgraded to indicated or measured mineral resources with continued exploration. There is no guarantee that any part of the mineral resources discussed herein will be converted into a mineral reserve in the future.*
- *Mineral Resources are reported at a cut-off grade of 1.5% LREE (light rare element, sum of Ce, La, Nd, Pr; in addition to Nb, and Sm %'s).*
- *The cut-off grade includes the following considerations:*
    - *Metal prices of: Ce = US$2.11/kg; La = US$2.10/kg; Nd = US$51.44/kg; Pr = US$56.96/kg; Nb = US$30.29/kg; Sm = US$2.07/kg;*
    - *Exchange rate of 0.75 US$:C$;*
    - *Concentrate production grades of: Ce = 23.7%; La = 17.9%; Nd = 5.3%; Pr=1.8% ; Nb = 0.5%; Sm = 0.01%;*
    - *Concentrate payable of 80%;*
    - *Hydromet refining charges of C$0.70/kg concentrate;*
    - *Offsite Transport costs of C$180/t;*
- *No royalties have been applied (A 2% royalty payable to the Vendor adds LREE 0.02% to the cut-off item which is beyond the accuracy of the cut-off item and has no material impact to the resource estimate.*
- *The resources are constrained by resource pit shell generated using the following inputs:*
    - *Mining cost of C$3.50/t;*
    - *Waste mining costs of C$3.25/t;*
    - *Process Costs of C$40/t (includes $10/t for transporting from pit to mill);*
    - *G&A Costs of C$7/t*
    - *Process Recoveries: Ce = 85.7%; La = 85.7%; Nd = 85.7%; Pr = 85.7%; Nb = 57.0%; Sm = 85.7%*
    - *Overall pit slope angles of 45°.*

The resource is classified according to the CIM "Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines" dated November 29th, 2019 and CIM "Definition Standards for Mineral Resources and Mineral Reserves" dated May 10th, 2014.

Factors that may affect the estimates include: metal price and concentrate payable assumptions, changes in interpretations of mineralization geometry, continuity of REE mineralization zones, changes to kriging assumptions, metallurgical recovery assumptions, operating cost assumptions, confidence in the modifying factors, including assumptions that surface rights to allow mining infrastructure to be constructed will be forthcoming, delays or other issues in reaching agreements with regulatory authorities and stakeholders, and changes in land tenure requirements or in permitting requirements.

On August 4, and August 13, 2020, the Company announced the results of a total of 20 pilot plant processing runs with respect to flotation pilot plant processing of the Wicheeda bulk sample. Mass balance assay results for an additional five (5) pilot plant runs completed since the previous news release dated August 4, 2020 are presented in **Table 5** below. Highlights of the recently completed bulk sample flotation pilot plant are:

- **26 tonnes bulk sample feed processed** over **178 hours of operation**
- **Approximately 1,200 kg of high-grade REE flotation concentrate produced** (dry weight at ~15% moisture content)
- **Process run concentrate grades ranging from 45.4% up to 56.7% (averaging 51.6%) LREO** (light rare earth oxide expressed as the sum of light rare earth elements expressed as oxides Ce_2O_3+La_2O_3+Nd_2O_3+Pr_2O_3)
- **Process recovery ranging from 53.8% up to 81.5% (averaging 72.4%) LREO**
- **Low average 6.4% mass yield** to concentrate

Table 5: Wicheeda REE Deposit Flotation Pilot Plant Mass Balance Results

Pilot Run	Weight %	Assay %					% Distribution (Recovery)				
		Ce_2O_3	La_2O_3	Nd_2O_3	Pr_2O_3	LREO Concentrate Grade	Ce_2O_3	La_2O_3	Nd_2O_3	Pr_2O_3	LREO
PP-16C	7.1	25.73	19.98	5.74	2.03	53.47	76.97	78.27	77.03	78.12	77.60
PP-16A	7.4	24.22	18.58	5.41	1.90	50.11	77.39	78.19	76.44	83.81	78.96
PP-15D	7.3	23.90	18.36	5.28	1.84	49.38	79.90	81.26	81.95	82.71	81.46
PP-15C	6.8	26.40	20.15	5.80	2.03	54.39	78.72	80.44	81.40	75.98	79.13
PP-15B	6.3	24.75	18.88	5.43	1.94	51.00	69.27	70.86	69.92	68.53	69.64
PP-14	6.8	24.8	19.1	5.52	1.93	51.3	76.5	78.5	77.9	74.3	76.8
PP-13	4.2	24.5	18.8	5.40	1.92	50.6	54.0	55.2	55.2	50.9	53.8
PP-12	7.1	23.5	18.4	5.26	1.87	49.0	75.5	77.1	76.6	78.9	77.0
PP-11	7.3	25.5	19.9	5.66	2.02	53.1	74.3	75.7	75.7	64.3	72.5
PP-10	6.9	25.5	20.1	5.68	1.99	53.3	77.9	79.6	79.6	79.4	79.1
PP-9	6.0	22.2	17.0	4.87	1.74	45.8	65.2	66.7	66.2	63.3	65.4
PP-8	5.7	25.8	20.0	5.79	2.03	53.6	72.0	73.9	71.5	63.7	70.3
PP-7	5.4	27.4	21.2	6.04	2.10	56.7	73.4	74.1	74.9	69.6	73.0
PP-5	6.2	26.0	20.3	5.81	2.01	54.1	73.9	75.3	75.9	71.2	74.1
PP-4	4.7	25.9	20.6	5.84	2.02	54.4	57.3	60.3	59.7	59.9	59.3

PP-3	7.4	21.8	17.0	4.86	1.71	45.4	70.0	71.7	71.0	71.0	70.9

Exploration and Expenditure Detailed Breakdown

	Wicheeda Option
	$
Balance at March 31, 2019	**449,972**
Acquisition costs	112,000
Field and camp costs	114,816
Drilling	362,245
Geological	440,030
Geochemical	307,117
Survey	65,517
BC Mining Tax Credit Recovery	(16,855)
Balance at March 31, 2020	**1,834,842**
Environmental	**60,271**
Field and camp costs	**13,376**
Geological	**73,416**
Geochemical	**465,256**
Management and admin	**67,922**
BC Mining Tax Credit Recovery	**(279,132)**
Balance at September 30, 2020	**2,235,951**

LIQUIDITY AND CAPITAL RESOURCES

In management's view, given the nature of the Company's operations, which consist of exploration and evaluation of mining properties, the most relevant financial information relates primarily to current liquidity, solvency and planned property expenditures. The Company's financial success will be dependent upon the extent to which it can successfully exercise its option, discover mineralization and the economic viability of developing its properties.

Such development may take years to complete and the amount of resulting income, if any, is difficult to determine. The sales value of any minerals discovered by the Company is largely dependent upon factors beyond the Company's control, including the market value of the metals to be produced. The Company does not expect to receive significant income from any of its properties in the foreseeable future.

At September 30, 2020, the Company had working capital of $673,157, including cash of $386,539.

As at the date of this document, a total of 1,006,595 share purchase options were exercised for $0.15 and $0.20 per share for gross proceeds of $175,444.

On November 20, 2020, the Company closed a non-brokered private placement of 800,000 flow-through common shares at a price of $0.25 per Share for gross proceeds of $200,000.

On October 30, 2020, the Company completed a non-brokered private placement of 2,525,000 Units at a price of $0.20 per Unit for gross proceeds of $505,000. Each Unit comprised of one common share and one common share purchase warrant. Each warrant is exercisable to purchase one common share of the Company at a price of $0.25 per share for a period of 12 months from the date of closing of the private placement. In addition, the Company closed a non-brokered private placement of 405,000 flow-through common shares at a price of $0.25 per share for gross proceeds of $101,250. The Company paid cash finder's fees of $7,087 and issued 28,350 non-transferable finder warrants to certain brokers on a portion of the private placements. The finder warrants otherwise have the same terms as the warrants issued with the private placement.

On July 15, 2020, the Company closed the second and final tranche of a non-brokered private comprising 80,000 flow-through units (“FT Unit”) at a price of $0.25 per FT Unit for gross proceeds of $20,000. Each FT Unit is comprised of one flow-through share and one common share purchase warrant. Each warrant is exercisable to purchase one common share of the Company at a price of $0.35 per share for a period of twenty-four (24) months from the date of closing. In addition, the Company also closed the second and final tranche of a non-brokered private placement comprising 100,000 Units ("Unit") at a price of $0.20 per Unit for gross proceeds of $135,000. Each Unit comprises of one common share and one common share purchase warrant. Each warrant is exercisable to purchase one common share of the Company at a price of $0.30 per share for a period of twenty-four (24) months from the date of closing the Private Placement.

On June 15, 2020, the Company closed the first tranche of a non-brokered private comprising 3,460,000 flow-through units (“FT Unit”) at a price of $0.25 per FT Unit for gross proceeds of $865,000. Each FT Unit is comprised of one flow-through share and one common share purchase warrant. Each warrant is exercisable to purchase one common share of the Company at a price of $0.35 per share for a period of twenty-four (24) months from the date of closing. In addition, the Company also closed the first tranche of a non-brokered private placement comprising 675,000 Units ("Unit") at a price of $0.20 per Unit for gross proceeds of $135,000. Each Unit comprises of one common share and one common share purchase warrant. Each warrant is exercisable to purchase one common share of the Company at a price of $0.30 per share for a period of twenty-four (24) months from the date of closing the Private Placement. The Company paid aggregate cash finder's fees of $46,200 and issued 190,050 non-transferable finder warrants to certain brokers. The finder warrants otherwise have the same terms as the warrants.

On May 27, 2020, the Company closed a non-brokered private placement of 680,000 units (each a "Unit") for gross proceeds of $74,800. Each Unit was priced at $0.11 and is comprised of one common share and one transferable common share purchase warrant ("Warrant"). Each Warrant is exercisable to purchase one common share of the Company at a price of $0.15 per share for a period of 24 months from the date of closing the private placement.

On April 29, 2020, the Company closed a non-brokered private placement of 5,980,000 units (each a "Unit") for gross proceeds of $598,000 (the "Private Placement"). As previously disclosed, each Unit was priced at $0.10 and is comprised of one common share and one transferable common share purchase warrant ("Warrant"). Each Warrant is exercisable to purchase one common share of the Company at a price of $0.15 per share for a period of 24 months from the date of closing the Private Placement. The Company paid aggregate cash finder's fees of $16,310 and issued 163,100 non-

transferable finder warrants to certain brokers on a portion of the Private Placement. The finder warrants otherwise have the same terms as the Warrants.

On December 20, 2019, the Company closed private placement of 6,615,000 units for gross proceeds of $661,500. Each unit was priced at $0.10 per share and comprised of one common share and one common share purchase warrant. Each warrant is exercisable to purchase one common share at a price of $0.20 for a period of 12 months.

On December 20, 2019, the Company closed private placement of 2,280,634 flow through shares for gross proceeds of $342,095. Each unit was priced at $0.15 per share. On December 31, 2019, the Company closed the latter portion of this private placement by issuing 233,333 flow through shares for gross proceeds of $34,950.

On June 14, 2019, the Company closed a private placement of $3,763,333 units for gross proceeds of $564,500. Each unit was priced at $0.15 per share and comprised of one common share and one common share purchase warrant. Each warrant is exercisable to purchase one common share at a price of $0.30 for a period of 12 months.

On June 14, 2019, the Company also closed a private placement of 2,662,500 flow-through common shares at a price of $0.20 per share for gross proceeds of $532,500.

The Company's expected cash resources are sufficient to meet its working capital and mineral property requirements for the next year, however the Company has no source of revenue therefore management will continue to seek new sources of capital to maintain its operations and to further the development and acquisition of its mineral properties.

The financial statements have been prepared in accordance with International Financial Reporting Standards ("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 for the foreseeable future.

OUTSTANDING SHARE DATA

The following share capital as of date of this document is:

	Balance
Shares issued and outstanding	55,419,728
Options issued and outstanding	5,046,333
Warrants issued and outstanding	19,711,648

RESULTS OF OPERATIONS

Three and Six Months Ended September 30, 2020

The Company incurred a comprehensive loss of $366,657 and $563,455 for the three and months ended September 30, 2020 compared to comprehensive net losses $287,417 and $795,111 the comparable periods. During the three months periods, the Company incurred increased overall expenses in the period due to an increase in marketing and investor relations activity. In addition, the overall marketing and investor relations expenses for the six months period increased over the comparable period for the same reason. Management is continually re-evaluating its marketing and investor relations activity to effectively control the flow of information between the Company and its investors and stakeholders.

During the overall three and six months ended period, overall consulting fees decreased as a result of more specific allocations of the CEO's management services on the continued development of the Wicheeda property which were accordingly capitalized to exploration and evaluation expenditures. Management will continue to assess the allocation of the CEO services as they pertain to the Wicheeda property on a go-forward basis. Affecting both current reporting periods is the recognition of a flow through share premium in the current period increased from the prior period due to the current flow through financing price having a greater difference between that of the adjusted close price of the shares of the Company. Continued volatility is expected within the expense accounts as the Company moves forward.

SELECTED QUARTERLY INFORMATION FOR MOST RECENT COMPLETED QUARTERS

	September 30, 2020	June 30, 2020	March 31, 2020	December 31, 2019
	$	$	$	$
Comprehensive loss	(366,659)	(196,796)	(196,796)	(436,478)
Basic loss per share	(0.01)	(0.00)	(0.00)	(0.01)
Diluted loss per share	(0.01)	(0.00)	(0.00)	(0.01)

	September 30, 2019	June 30, 2019	March 31, 2019	December 31, 2018
	$	$	$	$
Comprehensive loss	(169,063)	(338,633)	(1,011,321)	(313,471)
Basic loss per share	(0.01)	(0.01)	(0.06)	(0.02)
Diluted loss per share	(0.01)	(0.01)	(0.06)	(0.02)

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

	Level	**September 30, 2020**	March 31, 2020
		$	$
Cash	1	**386,539**	166,184
Accounts payable and accrued liabilities	2	**22,962**	184,620

The Company has determined the estimated fair values of its financial instruments based on appropriate valuation methodologies; however, considerable judgment is required to develop these estimates. The fair values of the Company's financial instruments are not materially different from their carrying values.

Management of Industry and Financial Risk

The Company is engaged primarily in mineral exploration and manages related industry risk issues directly. The Company may be at risk for environmental issues and fluctuations in commodity pricing. Management is not aware of and does not anticipate any significant environmental remediation costs or liabilities in respect of its current operations.

The Company's financial instruments are exposed to certain financial risks, which include the following:

Credit risk
Credit risk is the risk of loss due to the counterparty's inability to meet its obligations. The Company's exposure to credit risk is on its cash and other receivables. Risk associated with cash is managed through the use of major banks which are high credit quality financial institutions as determined by rating agencies.

Liquidity risk
Liquidity risk is the risk that the Company will encounter difficulties in meeting obligations when they become due. The Company ensures that there is sufficient capital in order to meet short-term operating requirements, after taking into account the Company's holdings of cash. The Company's cash is held in corporate bank accounts available on demand. Liquidity risk has been assessed as being high.

Market Risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk.

Currency Risk
The Company is subject to normal market risks including fluctuations in foreign exchange rates and interest rates. While the Company manages its operations in order to minimize exposure to these risks, the Company has not entered into any derivatives or contracts to hedge or otherwise mitigate this exposure.

Interest Rate Risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk relating to its related party balances.

Price Risk
The Company is exposed to price risk with respect to equity prices. Price risk as it relates to the Company is defined as the potential adverse impact on the Company's ability to raise financing due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

Capital management
The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of components of shareholders' equity. There were no changes in the Company's approach to capital management during the period. The Company is not subject to any externally imposed capital requirements.

RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be directors, officers and corporate entities controlled by these individuals. The table summarizes related party compensation for various services received by the Company:

	September 30, 2020	September 30, 2019
	$	$
Exploration and evaluation	**115,246**	99,749
Office and administrative	**6,000**	6,000
Consulting	**40,000**	80,000
Professional fees	**30,000**	-
Stock-based compensation	**87,409**	-

As at September 30, 2020, $7,525 (March 31, 2020 - $124,838) was owing to a private company owned by the Chief Financial Officer for regulatory and filing fees paid on behalf of the Company (repaid subsequent to September 30, 2020). Balances owing to related parties were unsecured, did not bear interest, and had no fixed terms of payments. Exploration and evaluation services were completed by Apex Geosciences Ltd., a company of which Kris Raffle (a current director of the Company) is a principal.

Off-Balance Sheet Transactions

The Company has not entered into any significant off-balance sheet arrangements or commitments.

CRITICAL ACCOUNTING ESTIMATES

The preparation of these interim financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and revenue and expenses.

The use of estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods. Accounts which require management to make material estimates and significant assumptions in determining amounts recorded include: impairment of exploration and evaluation assets, share-based payments, and determination of functional currency.

i) Impairment
The Company assesses its exploration and evaluation assets at each reporting date to determine whether any indication of impairment exists. Where an indicator of impairment exists, an estimate of the recoverable amount is made, which is considered to be the higher of the fair value less costs to sell and value in use. These assessments may require the use of estimates and assumptions such as long-term commodity prices, discount rates, future capital requirements, and exploration potential.

ii) Share based payments
The Company follows accounting guidelines in determining the fair value of stock-based compensation. The computed amount is not based on historical cost, but is derived based on subjective assumptions input into an option pricing model. The model requires that management make forecasts as to future events, including estimates of: the expected life of options; future volatility of the Company's share price in the expected hold period (using historical volatility as a reference); and the appropriate risk-free rate of interest. Stock-based compensation incorporates an expected forfeiture rate. The resulting value calculated is not necessarily the value that the holder of the option could receive in an arm's length transaction, given that there is no market for the options and they are not transferable. It is management's view that the value derived is highly subjective and dependent entirely upon the input assumptions made.

iii) Functional and presentational currency
These financial statements are presented in Canadian dollars, which is the Company's functional currency.

iv) Deferred tax assets & liabilities

The measurement of deferred income tax provision is subject to uncertainty associated with the timing of future events and changes in legislation, tax rates and interpretations by tax authorities. The estimation of taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income, which in turn is dependent upon the successful operations of the Company. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and deferred tax provisions or recoveries could be affected.

v) Flow-Through Shares

The Company's flow-through share premium estimate is based on the price of flow-through shares in relation to the price of ordinary shares.

v) Basis of measurement
These financial statements have been prepared on a historical cost basis and except for cash flow information, using the accrual basis of accounting.

PROPOSED TRANSACTIONS

None.

RISK AND UNCERTAINTIES

The Company is in the mineral exploration and development business and, as such, is exposed to a number of risks and uncertainties that are not uncommon to other companies in the same business. Some of the possible risks include the following:

a) The industry is capital intensive and subject to fluctuations in metal prices, market sentiment, foreign exchange and interest rates. The recovery of the Company's investment in exploration and evaluation assets and the attainment of profitable operations are dependent upon the discovery and development of economic ore reserves and the ability to arrange sufficient financing to bring the ore reserves into production.

b) The most likely sources of future funds for further acquisitions and exploration programs undertaken by the Company are the sale of equity capital and the offering by the Company of an interest in its properties to be earned by another interested party carrying out further exploration or development. If such exploration programs are successful, the development of economic ore bodies and commencement of commercial production may require future equity financings by the Company, which are likely to result in substantial dilution to the holdings of existing shareholders.

c) The Company's capital resources are largely determined by the strength of the resource markets and the status of the Company's projects in relation to these markets, and its ability to compete for the investor support of its projects.

d) The prices of metals, minerals, and other elements greatly affect the value and potential value of its exploration and evaluation assets. This, in turn, greatly affects its ability to raise equity capital, negotiate option agreements and form joint ventures.

e) The Company must comply with health, safety, and environmental regulations governing air and water quality and land disturbances and provide for mine reclamation and closure costs. The Company's permission to operate could be withdrawn temporarily where there is evidence of serious breaches of such regulations, or even permanently in the case of extreme breaches. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of acquired properties or noncompliance with environmental laws or regulations.

f) The operations of the Company will require various licenses and permits from various governmental authorities. There is no assurance that the Company will be successful in obtaining the necessary licenses and permits to continue exploration and development activities in the future.

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

Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, then actual results may vary materially from those described in any forward looking statement. The development and exploration activities of the Company are subject to various laws governing exploration, development, and labour standards

which may affect the operations of the Company as these laws and regulations set various standards regulating certain aspects of health and environmental quality. They provide for penalties and other liabilities for the violation of such standards and establish, in certain circumstances, obligations to rehabilitate current and former facilities and locations where operations are, or were conducted.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The information provided in this report is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying financial statements.

ADDITIONAL INFORMATION

Additional information relating to the Company, is available on the Canadian System for Electronic Document Analysis and Retrieval ("SEDAR") website at **www.sedar.com.**