



**MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS  
FOR THE NINE MONTHS ENDED FEBRUARY 28, 2021**

**OVERVIEW AND INTRODUCTORY COMMENT**

Viscount Mining is a project generator and an exploration company with a portfolio of silver and gold properties in the Western United States, including Silver Cliff in Colorado and Cherry Creek in Nevada.

The Silver Cliff property in Colorado lies within the historic Hardscrabble Silver District in the Wet Mountain Valley, Custer County, south-central Colorado. It is located 44 miles WSW of Pueblo, Colorado, and has year-around access by paved road. The property consists of 2,297 acres where high grade silver, gold and base metal production came from numerous mines during the period 1878 to the early 1900's. The property underwent substantial exploration between 1967 and 1984.

The property is interpreted to encompass a portion of a large caldera and highly altered sequence of tertiary rhyolitic flows and fragmental units which offers potential to host deposits with both precious and base metals. This has been demonstrated in the mineralization historically extracted from the numerous underground and surface mining operations. Drilling in the 1980s by Tenneco resulted in a historical pre-feasibility study on which basis it was planned to bring the property to production. The plan was abandoned following takeover by another company.

Viscount is currently completed phase 2 of a three-phase drill program at Silver Cliff to expand the ACS resource estimate reported in Viscount's news release of 30 May 2018, specifically, 2,064,000 tonnes of Indicated Mineral Resource averaging 84 grams of silver per tonne for 5,560,000 ounces of silver and 3,172,000 tonnes of Inferred Mineral Resource averaging 70 grams of silver per tonne for 7,143,900 ounces of silver.

The Cherry Creek Property is focused on exploration in the immediate vicinity of an area commonly known as the Cherry Creek Mining District, located approximately 50 miles north of the town of Ely, White Pine County, Nevada. Cherry Creek consists of 320 unpatented and patented claims as well as mill rights and is comprised of more than 2,658 hectares. Cherry Creek includes more than 20 past producing mines including Blue Bird, Chance Mine, Filmore, Last Chance, Star, Exchequer/ New Century Mine, Ticup and Motherlode mines.

This MD&A is dated July 28, 2021 and discloses specified information up to that date. Unless otherwise noted, all currency amounts are expressed in Canadian dollars. The following information should be read in conjunction with the unaudited condensed consolidated interim financial statements and the related notes for the nine months ended May 31, 2021 and the Company's audited consolidated financial statements for the year ended August 31, 2020 and the related notes thereto.

Additional information relevant to the Company and the Company's activities can be found on SEDAR at [www.sedar.com](http://www.sedar.com), and/or on the Company's website at [www.viscountmining.com](http://www.viscountmining.com).

**MAJOR INTERIM PERIOD OPERATING MILESTONES**

The Company has commenced plans to drill Cherry Creek and Silver Cliff this year. Company Geologists are working on targets and models to best outline potential targets. The goal in Silver Cliff is to expand its current resource and test new areas for mineralization. In Cherry Creek the Company will continue with understanding its existing structures and expanding on the known areas of mineralization uncovered thus far.

**Cherry Creek, Nevada:**

Viscount Mining Corp has entered into an exploration earn – in agreement (the "Agreement") with a wholly owned subsidiary of Centerra Gold Inc. ("Centerra") for the Cherry Creek project. Together Viscount and Centerra are developing the exploration plan.

The 2021 work program is in full swing on the Cherry Creek project. Centerra have deployed a geological crew on the project since January to collect geochemical samples on target areas generated from previous work on the property as well as new target concepts developed by Centerra. The program has grown over time to include the following activities:

1. Rock geochemical sampling;
2. Soil geochemical;
3. Geological mapping, initially focused on the past producing Star and Exchequer areas;
4. IP survey;
5. Aeromagnetic survey

Much of this work is continuing at this time. In order to move quickly to a drilling phase, the company has engaged the services of Environmental Management Strategies of Reno, Nev., to provide permitting services for the project. Viscount expects approval of the NOI shortly.

### **Silver Cliff, Colorado**

During this quarter, Viscount has wrapped up phase 2, and begun planning for phase 3 of the multi-phase exploration program. Phase 2 was an experimental phase and has allowed the Company better understand trends that exists in the in the Kate Resource area. It has helped the Company define the relationships between geophysical, geochemical expressions and subsurface data. This exercise was successful, and additional surface soil samples have been collected, and analysis are pending. Several of the drill holes were designed to test the outer limits of the Kate area, and will guide the phase 3 program, which will be designed to expand the Kate Resource area. During Phase 2 additional three holes were drilled in the Passiflora target and are currently being analyzed to better understand trends and future exploration targets.

Phase 2 was designed as an exploration program at the Kate Deposit to test unknown areas and confirm our understanding of the magnetic and soil geochemical areas. Based on the results of Phase 2 our QP will use targets in Phase 2 to provided him with the ore body direction of mineralization and understanding of additional areas of mineralization. In Phase 3 using this understanding the future drill hole locations will be selected. The Goal of Phase 3 is to expand the current deposit beyond the historical deposit area.

### **KATE EAST ZONE DRILL HOLES BY VISCOUNT 2016-2020**

<b>HOLE ID</b>	<b>FROM (M)</b>	<b>TO (M)</b>	<b>LENGTH (M)</b>	<b>AG G/T</b>	<b>INCLUDING</b>
K16-1	15.8	32	16.2	837.4	6.1 M @ 1778.5 G/T
K16-3	17.3	34.1	16.8	141.5	
K16-4	15.6	36.9	21.3	179.1	13.7 M @ 250.7 G/T
K16-5	19.8	33.5	13.7	388.6	6.1 M @ 757.3 G/T
K16-6	29	36.6	7.6	47.3	
K16-7	23.5	38.7	15.2	153.2	7.6 M @ 252.6 G/T
K16-8	32.2	52.9	20.7	228.8	6.1 M @ 542.3
K16-9	25.9	41.1	15.2	136.6	
P17-03	15.1	30	15.1	702.7	9 M @ 477 G/T
P17-05	9.5	24.5	15	219.4	
P17-06	0	24.5	24.5	129.3	
P17-07	0	25.5	25.5	50.8	
DDH20-01	19.5	41.1	21.6	100.6	
DDH20-02	15.5	25.6	10.1	63.9	7.6 M @ 1259.1 G/T
DDH20-03	15.1	30	14.9	702.7	
DDH20-04	15.6	30.8	15.2	105.1	

DDH20-10	0	19.5	19.5	51.9	10 M @ 236 G/T
DDH21-01	11	29.6	18.6	147.6	
DDH21-02	24.4	36.6	12.2	27.6	
DDH21-03	14	38.4	24.4	51.4	
DDH21-04	0	7.6	7.6	75.1	
DDH21-04	15.2	23.5	8.2	69.4	
DDH21-05	12.2	13.7	1.5	22.6	
DDH21-06	19.8	29	9.1	33.2	
DDH21-07	0	30	30	7.6	

On March 23, 2021, the Company announced the 2021 phase 2 exploration campaign, which is designed to expand the National Instrument 43-101 Kate silver resource (KSR) done by Dr. Gilles Arseneau in 2018. This will be done by further defining the limits of the Kate East zone, a zone that has the potential of raising the grade of the deposit. Viscount is also expanding the drilling to increase the tonnage that can be included in upcoming resource reports. Also, additional drilling will be conducted in the Passiflora target to continue to explore the potential to add to the total resource of the Silver Cliff project.

To date, all holes drilled by Viscount have intercepted significant silver grades (see table above). If this continues, it will potentially improve the grade of the resource as defined by Dr. Arseneau in his 2018 NI 43-101 report.

Viscount also drilled three additional holes in the Passiflora target. Historic drilling has showed significant silver and gold intercepts. An internal report from CoCa Mines in 1983 estimated a potential resource of 40 million short tons, based on 14 drill holes (not NI 43-101 compliant), with the best intercept reporting to be 256 grams per tonne silver and 1.4 g/t gold. Viscount drilled one hole in Passiflora in 2020 to a depth of 193.9 m that showed anomalous silver throughout, some anomalous gold as well as strong silica and clay alteration, and pyritization over most of the hole. Viscount awaits drill results.

Upon completion and receipt of the current geophysical and geochemical study, Viscount will complete our selection of the Phase 3 drill locations. The number of drill holes in Phase 3 will be determined by our QP and the data required to complete an expanded NI 43-101.

In summary, Viscount's 2020/2021 drill campaign has three objectives. They are to expand the previously defined Kate resource (the "KSR") with the objective of adding to the ACS resource estimate of the KSR/Kate deposit. Also, to further outline the Kate East high-grade zone as well as moving forward on the evaluation of the resource potential of several other promising targets

## INTERIM PERIOD FINANCIAL CONDITION

### CAPITAL RESOURCES

#### Authorized

At May 31, 2021, the authorized share capital consists of an unlimited number of common shares without par value and without special rights or restrictions attached and an unlimited number of preferred shares without par value and with special rights or restrictions.

#### Issued and Outstanding

At May 31, 2021, the total issued, and outstanding share capital was 84,551,795 common shares with no par value (August 31, 2020 – 81,215,462).

Share capital transactions of the Company during the nine-month period ended May 31, 2021, and year ended August 31, 2020, are summarized as follows:

- a) During the nine months ended May 31, 2021, there were 3,219,333 warrants exercised between \$0.28 and \$0.35 for proceeds of \$1,105,300. Of this amount, \$185,875 remains unpaid and is reflected as subscriptions receivable.
- b) During the nine months ended May 31, 2021, 117,000 options were exercised at \$0.22 per share for proceeds of \$25,740,

**Liquidity and Capital Resources**

At May 31, 2021 the Company had cash and cash equivalents of \$3,142,955 (August 31, 2020 - \$4,264,224), amounts receivable and prepaid expenses of \$91,844 (August 31, 2020 - \$28,750), trade payables and accrued liabilities of \$114,128 (August 31, 2020 - \$285,216), an advance from our joint venture partner of \$61,738 (August 31, 2020, \$Nil) and due to related parties of \$3,000 (August 31, 2020 - \$114,033).

The Company will require significant cash funding to conduct its exploration programs, meet its administrative overhead costs, and maintain its resource interests which will require the Company to obtain additional financing. The Company faces no known liquidity issues and plans its exploration programs based on available resources.

The Company will continue to consider all sources of financing reasonably available to it, including, equity, debt, and the sale of assets or parts of assets, including mineral properties. There can be no assurance of continued access to finance in the future and an inability to secure financing may require the Company to reduce or defer exploration and development activities.

Results for each of the last eight quarters are set out in the table below:

All amounts in Cdn\$	Three month period ending May 31, 2021	Three month period ending February 28, 2021	Three month period ending November 30, 2020	Three month period ending August 31, 2020
				\$
<b>Operations:</b>				
Revenues	Nil	Nil	Nil	Nil
Net loss and comprehensive loss	(1,186,591)	(728,868)	(491,391)	(1,201,646)
Loss per share	(0.01)	(0.01)	(0.01)	(0.01)
<b>Balance Sheet:</b>				
Total assets	8,002,900	8,104,700	7,624,433	3,262,325
Working capital	3,055,933	3,537,663	3,179,668	(833,881)
Shareholders' equity	7,824,034	7,908,231	7,470,184	2,384,780
	Three month period ending May 31, 2020	Three month period ending February 29, 2020	Three month period ending November 30, 2019	Three month period ending August 31, 2018
<b>Operations:</b>				
Revenues	Nil	Nil	Nil	Nil
Net loss and comprehensive loss	(270,327)	(565,140)	(65,741)	(400,180)
Loss per share	(0.01)	(0.01)	(0.00)	(0.01)
<b>Balance Sheet:</b>				
Total assets	3,274,999	3,236,067	3,256,898	3,262,325
Working capital	(1,347,789)	(1,165,914)	(892,498)	(833,881)
Shareholders' equity	1,892,217	2,053,540	2,319,039	2,551,568

**Comparison of the results from operations for the nine months ended May 31, 2021, with May 31, 2020**

For the nine months ended May 31, 2021, the Company incurred a net loss and comprehensive loss of \$1,186,591 (May 31, 2020 – \$746,923) resulting in an unfavorable variance of \$439,668. The variance was primary due to an overall increase in activities on both the Colorado and Cherry Creek projects \$286,069 and issuance of stock options to Management and directors valued at \$261,708.

**Exploration and Evaluation Properties**

Exploration and evaluation expenditures by project as at May 31, 2021 and August 31, 2020 are as follows:

	As at May 31, 2021	As at August 31, 2020
	\$	\$
<b>Nevada Properties</b>		
Acquisition and exploration costs	2,488,627	2,126,778
Recoveries	(1,101,312)	(787,575)
<b>Colorado properties</b>		
Acquisition and exploration costs	3,413,174	2,578,826
Recoveries	(58,560)	(43,341)
<b>Total</b>	4,741,929	3,874,688

**RELATED PARTY TRANSACTIONS**

On May 31, 2021, the balance due to related parties, who are officers, directors and/or shareholders, was \$3,000 (August 31, 2020 - \$114,033). Amounts owing relate to consulting services and advances on behalf of the Company provide by the related parties or by companies they controlled and for loans to the Company by related parties. The amounts owed to related parties are summarized as follows:

	As at May 31, 2021	As at August 31, 2020
	\$	\$
Chief Executive Officer, Director and an immediate family member	-	83,937
Chief Financial Officer	-	59,208
Chief Geologist	-	50,889
Directors	3,000	112,050
	3,000	306,084

The key management personnel compensation for the nine-month period ended May 31, 2021, and 2020, are summarized as follows:

	May 31, 2021	May 31, 2020
	\$	\$
Chief Executive Officer/Director	197,700	
Chief Financial Officer	58,000	54,000
Director/Manager	74,500	
Director/Chief Geologist	12,743	
Directors	7,000	259,200
Director/Legal fees	7,118	1,290
Stock based compensation	222,452	-
	579,513	314,490

**COMMITMENTS, EXPECTED OR UNEXPECTED, OR UNCERTAINTIES**

The Company is committed to making cash payments, incurring exploration expenditures and/or issuing common shares pursuant to its exploration and evaluation property agreements as detailed in note 5 of the May 31, 2021, quarterly financial statements filed in conjunction with this MD&A.

**RISK FACTORS**

In our MD&A filed on SEDAR August 30, 2020, in connection with our annual financial statements (the “Annual MD&A”), we have set out our discussion of the risk factors which we believe are the most significant risks faced by Viscount. An adverse development in any one risk factor or any combination of risk factors could result in material adverse outcomes to the Company’s undertakings and to the interests of stakeholders in the Company including its investors. Readers are cautioned to take into account the risk factors to which the Company and its operations are exposed. To the date of this document, there have been no significant changes to the risk factors set out in our Annual MD&A.

**DISCLOSURE OF OUTSTANDING SHARE DATA**

The authorized share capital of the Company consists of an unlimited number of common shares without par value. The following is a summary of the Company’s outstanding share data as at May 31, 2021 and year ended August 31, 2020:

<b>Issued and Outstanding</b>	<b>July 28, 2021</b>	<b>May 31, 2021</b>	<b>August 31, 2020</b>
Common Shares	84,771,795	84,551,795	53,841,129
Stock Options	7,958,800	7,958,800	6,500,800
Warrants	24,898,020	24,898,020	29,434,020
Fully diluted common shares outstanding	117,628,615	117,408,615	89,775,949

- a) On January 25, 2021, the Company issued 1,000,000 five-year options at an exercise price of \$0.375 to officers, directors and consultants. The options were valued at \$261,708, using the Black Scholes valuation methodology assuming a risk-free interest rate of 0.42% per annum, an expected life of 5 years, volatility of 79.88%, and no expected dividend.
- b) During the Nine months ended May 31, 2021, 117,000 options were exercised at \$0.22 for proceeds of \$25,740.
- c) On August 31, 2020, 3,800,000 five-year options were issued at an exercise price of \$0.40 to officers, directors, and consultants. The options were valued at \$1,056,952, using the Black Scholes valuation methodology assuming a risk-free interest rate of 0.37% per annum, an expected life of 5 years, volatility of 179.37%, and no expected dividend.
- d) On August 5, 2020, 250,000 five-year options were issued at an exercise price of \$0.40 were issued for services. The options were valued at \$41,758 using the Black Scholes valuation methodology assuming a risk-free interest rate of 0.27% per annum, an expected life of 2 months, volatility of 84.99%, and no expected dividend.
- e) On January 22, 2019, 971,000 five-year options were issued at an exercise price of \$0.22 to officers, directors and consultants. The options were valued at \$163,875, using the Black Scholes valuation methodology assuming a risk-free interest rate of 1.89% per annum, an expected life of 5 years, volatility of 99.67%, and no expected dividend.

**QUALIFIED PERSON**

Harald Hoegberg, PG an independent consulting geologist, who is the Company's qualified person, reviewing the exploration projects described throughout the MD&A and is responsible for the design and conduct of the exploration programs and the verification and quality assurance of analytical results.

**Cautionary Statements**

This document contains “forward-looking statements” within the meaning of applicable Canadian securities regulations. All statements other than statements of historical fact herein, including, without limitation, statements regarding exploration results and plans, and our other future plans and objectives, are forward-looking statements that

involve various risks and uncertainties. Such forward-looking statements include, without limitation, our estimates of exploration investment, the scope of our exploration programs, and our expectations of ongoing administrative costs. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from our expectations are disclosed in the Company's documents filed from time to time via SEDAR with the Canadian regulatory agencies to whose policies we are bound. Forward-looking statements are based on the estimates and opinions of management on the date the statements are made, and we do not undertake any obligation to update forward-looking statements should conditions or our estimates or opinions change, except as required by law. Forward-looking statements are subject to risks, uncertainties and other factors, including risks associated with mineral exploration, price volatility in the mineral commodities we seek, and operational and political risks. Readers are cautioned not to place undue reliance on forward-looking statements.