

## **MINFOCUS EXPLORATION CORP.**

### **MANAGEMENT DISCUSSION AND ANALYSIS For the Six Months Ended August 31, 2021**

**Report date: October 27, 2021**

#### **General**

This Management Discussion and Analysis ("MD&A") of financial position and results of operation is prepared as at October 27, 2021 and should be read in conjunction with the condensed interim consolidated financial statements for the six months ended August 31, 2021 for Minfocus Exploration Corp. (the "Company").

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). Except as otherwise disclosed, all dollar figures included therein and in the following MD&A are quoted in Canadian dollars. Additional information is provided in the Company's financial statements and other documents. These documents are available from SEDAR at [www.sedar.com](http://www.sedar.com).

The Company's disclosure of a technical or scientific nature have been reviewed by D. Blair Way, FAusIMM, a director of the Company and a Qualified Person under the definition of *National Instrument 43-101*.

The Company is a mineral exploration company currently advancing a portfolio of North American precious and base metals projects, including precious metals in Nevada, USA and three Mississippi Valley-type zinc projects in B.C. and Newfoundland, Canada.

The Company is a reporting issuer in British Columbia, Alberta and Ontario and trades on the TSX Venture Exchange ("TSX-V") under the symbol MFX. The head office and principal business address of the Company is Suite 440 – 755 Burrard Street, Vancouver, BC V6Z1X6.

#### **Highlights subsequent to the Six Months Ended August 31, 2021**

On September 10, 2021, the Company announced that on September 3, 2021, it had entered into a definitive Share Sale Agreement (the "Agreement") with Mining Projects Accelerator Pty Ltd. ACN 629 011 196 ("MPX"), a private Australian company, pursuant to which the Company will acquire MPX's ownership of 80% of the outstanding common shares (each, a "Big Hill Share") of Big Hill Gold Mining Company Pty Ltd. ACN 081 474 179 ("Big Hill") on the terms and conditions of the Agreement (the "Proposed Transaction"). Big Hill holds a 100% interest in an exploration permit and two mining licenses comprising the Big Hill Gold Property located in Queensland, Australia (the "Big Hill Gold Property").

## Big Hill Gold Property

The Big Hill Gold Property consists of a single Exploration Permit (“EPM”) EPM 18255 covering 24 sq km and includes two discrete granted mining leases owned by Big Hill (“ML”) on the EPM. The EPM covers the historic mines of Big Hill (ML50287), Queenslander, Monte Cristo and Sultan & Taylor (ML50286) of the Talgai Goldfield within the EPM and is an excluded small ML held by an unrelated third party.

The Talgai Goldfield is one of eight historical Goldfields in the broader Warwick-Texas District active in the late 19th century, which include Canal Creek, Thanes Creek, Leyburn, Palgrave, Pikedale, Lucky Valley and MacDonalld Goldfields. The bulk of production in the historical mines of EPM18255 and the broader Warwick-Texas District occurred from initial discovery in 1864 until the early 1900s. Small-scale activity continued during intermittent periods in the 20th century with many of the larger historic mines remaining under mining leases and which have had limited modern exploration over the main lode deposits to date.

Parts of EPM18255 have been covered by exploration permits almost continuously since 1980 as part of gold exploration programs within the broader Texas–Warwick district. The work programs involved varying amounts of mapping, stream sediment, soil and rock chip sampling.

Recent exploration over the EPM completed by MPX in 2020 comprised surface geochemical sampling including rock chips and soils, a ground magnetic survey and 2 diamond drillholes. Data compilation, including surface mapping, is in progress with the aim of generating a 3D geological model for the gold mineralisation. The outcomes will be used to generate further drill targets and the knowledge gained from exploration programs conducted in the initial focus areas of the two mining leases will be applied to targeting within the broader EPM.

The Big Hill Gold Property is located near the town of Pratten, approximately 35km northwest of Warwick and 160km southwest of Brisbane, the capital of the state of Queensland, Australia.

## Acquisition of Majority Interest in Big Hill Gold Mining Company Pty Ltd.

Pursuant to the terms of the Agreement, and subject to approval of the TSX Venture Exchange (the “Exchange”), the Company will acquire all of the shares that MPX owns of Big Hill, which is equal to 80% of the outstanding Big Hill Shares (the “Sale Shares”) and assume all of the rights and obligations of MPX as a shareholder of Big Hill.

In consideration for the purchase of the Sale Shares, the Company will issue 17,500,000 common shares of the Company (the “Payment Shares”) to MPX and pro rata to its shareholders at a deemed price of \$0.125 per Payment Share. The Payment Shares will be subject to a statutory hold period for four months and one day from the date of issuance, and in addition, the MPX shareholders have agreed that the Payment Shares shall be subject to a contractual escrow and released from escrow as follows: (i) 40% of the Payment Shares shall be released from escrow four months and one day following the date of issuance; (ii) 20% of the Payment Shares shall be released from escrow 180 days after issuance; (iii) 20% of the Payment Shares shall be released

from escrow 270 days after issuance; and (iv) the remaining 20% of the Payment Shares shall be released from escrow one year from the date of issuance.

Following closing of the Proposed Transaction, the Company will have the right to acquire an additional 15% of the outstanding Big Hill Shares and increase its shareholdings to 95% of the total outstanding Big Hill Shares by paying AU\$300,000 to the minority shareholder of Big Hill. The remaining 5% of the shares of Big Hill may be acquired from the minority shareholder for AU\$700,000. On closing of the Proposed Transaction, there will be a 2% net smelter royalty on the exploration permit and mining licences as well.

On October 8, 2021, the Company provided an update on the Proposed Transaction which will constitute a fundamental acquisition in accordance with Policy 5.3 of the Exchange. The Company and MPX are continuing to work towards completion of the Proposed Transaction and have met several conditions to completion. A technical report has been prepared on the Big Hill Gold Property in accordance with National Instrument 43-101 *“Standards of Disclosure for Mineral Projects”* and has been submitted to the Exchange.

Following the completion of the Proposed Transaction, it is anticipated that the Company will change its name to “Queensland Gold Hills Corp.”, subject to the approval of the Exchange.

The Proposed Transaction is an arms-length transaction and remains subject to certain closing conditions, including the approval of the Exchange. There can be no assurance that the Proposed Transaction will be completed as contemplated, or at all.

#### Private Placement

In connection with the Proposed Transaction, the Company has arranged for a non-brokered private placement of up to 17,000,000 units (each, a “Unit”) at a price of \$0.125 per Unit for gross proceeds of up to \$2,125,000. Each Unit will consist of one common share of the Company (each, a “Share”) and one half of one common share purchase warrant (each whole warrant, a “Warrant”). Each Warrant exercisable into one additional Share at a price of \$0.25 for two years after the date of issuance (the “Offering”). Closing of the Offering is subject to the approval of the Exchange. The Company intends to use the proceeds of the financing to acquire an additional 15% of the Big Hill Shares from the minority shareholder, for exploration and development of the Big Hill Gold Property and for general working capital purposes.

All securities to be issued under the Offering will be subject to a statutory hold period expiring four months and one day from the date of issuance. The Company anticipates that the majority of the subscriptions will be from arm’s length parties, although insiders may participate in the Offering. The Company may pay finders’ fees on the Offering, as permitted by applicable securities laws and the Exchange.

## Appointment of New Director

The Company announced the appointment of Blair Way to the Board of Directors. Mr. Way is an experienced international executive with over 35 years' experience within the resources and construction industry throughout Australasia, Canada, the United States, South America and Europe. A highly respected project developer in the most challenging of environs, Mr. Way's experience spans the complete mineral development cycle from early-stage exploration to project definition and studies culminating in implementation, commissioning and operations of mining projects.

## Debt Settlements

The Company and certain creditors agreed to settle an aggregate of \$191,414 of debt by accepting payment on account of \$67,907 through the issuance of Shares at a deemed price of \$0.125 per Share for an aggregate of 543,256 Shares, subject to the approval of the Exchange (the "Debt Settlement"). The remaining \$123,507 of the settled debt owing will be forgiven. Of the Debt Settlement Shares to be issued, 460,000 Shares are being issued to two directors and an officer of the Company for management fees owing. All Shares to be issued under the Debt Settlement will be subject to a statutory hold period expiring four months and a day from the date of issuance.

## **Highlights for the Six Months Ended August 31, 2021**

- On August 17, 2021, the Company consolidated of its common shares on a ratio of five pre-consolidation shares to one post-consolidation share. All share figures in this report are shown as post-consolidated shares.
- In May 2021, the Company recorded 16 lode claims, oriented north-south, and with their centre located approximately 7 km west from Nevada Rose, on a new property which has been named Angelo Bell. The claims cover old workings surrounding the Angelo Bell Mine, a historic property about which little information is available, but which produced small amounts of silver prior to 1900.

## **Mineral Properties**

### *Coral Zinc Project, British Columbia*

In January 2015, the Company entered into an agreement pursuant to which it had an option to earn up to a 60% interest in the Coral Zinc Project, a zinc project located in Northern British Columbia, 100 kilometres north of the town of Mackenzie. In September 2018, the Company acquired an additional 36% beneficial ownership interest in the Project by issuing 7,180,000 shares and 7,180,000 share purchase warrants, exercisable at \$0.07 for 2 years on September 19, 2018 with a fair value of \$287,200.

The Company earned a 20% interest in the Coral Zinc Project under the original option agreement

and together with the additional ownership acquisition, the Company holds a combined 56% interest. No work has been undertaken on the Coral Zinc Project since 2017.

The Coral Zinc Project claims remain in good standing with the BC Ministry of Energy & Mines until September 2024. The Company has pledged a \$10,000 GIC as security under a safekeeping agreement with the BC Ministry of Finance, to cover reclamation expenses for work undertaken under pre-existing permits for exploration on the project. This amount is included in cash on the statement of financial position.

#### *Peregrine Zinc Project, British Columbia*

The Peregrine Zinc Project, located in southeastern British Columbia, comprises optioned claims supplemented by claims staked by the Company.

In January 2017, the Company entered into an option earn-in agreement on the Peregrine Zinc Project, to earn a 100% interest over a period of two years by making optional staged payments totaling \$10,000 cash (paid) and issuing 142,857 shares (78,571 issued during the year ended February 28, 2018 and 50,000 issued during the year ended February 28, 2019) plus the grant of a 2% net smelter returns royalty (“NSR”). The Company has the option to repurchase up to 1% of the NSR for \$1,000,000 after commercial production.

No work has been done on the Peregrine claims since 2017. The claims remain in good standing until December 31, 2021 (formerly September 29, 2021 but extended due to Covid-19).

#### *Round Pond Zinc Project, Newfoundland*

The Round Pond Zinc Project is located west of Hare Bay, on the Great Northern Peninsula of northwest Newfoundland. This region has seen extensive, episodic programs of exploration for zinc since the 1960s. The principal target is Mississippi Valley-type (MVT) Zn-(Pb-Ag) mineralization, as found at the former Newfoundland Zinc mine at Daniel’s Harbour, circa 140 km to the south. This style of mineralization may be transgressive, and thus be found at different horizons within the host sequence, the Ordovician-age St. George Group.

The Round Pond Zinc Project was originally part of a larger project which had seen extensive exploration. Previous workers have had varying opinions as to the genesis of the mineralization, which at Round Pond is found as open-space fillings in dolostone host rocks, notably as the cement to two styles of breccia.

In March 2018, the Company entered into an agreement to acquire a 100% interest in the Project, comprising 30 claims (750 hectares) for total consideration of 750,000 shares (321,432 shares issued during the year ended February 28, 2019 with a fair value of \$24,107 and 428,574 shares issued during the year ended February 28, 2021 with a fair value of \$12,857). A 2.0% NSR royalty was granted in which \$1.5 million can be paid to reduce the royalty to a 0.75% NSR interest.

In 2018, the Company extended the original property border for roughly 2 km in a northeasterly direction to follow the key limestone-dolostone contact which dips very gently northeast by

staking 33 additional claims (new total, 63 claims covering 1,500 ha). In August 2020, the Company staked a further 6 claims to the north of this expanded border to cover a linear trend of small ponds aligned with known regional trends of mineralization at Newfoundland Zinc.

A LiDAR survey covering approximately 24 square kilometres was flown on the Project in September 2020 by Terraquest Ltd. The survey covered the original property as well as the newly staked claims. The survey results, together with historical data, will be used to define follow-up geophysics and geochemical programs to support drill targeting of the known geometries of MVT orebodies. Historic drill programs in this area had been very shallow and mostly close to the main Round Pond showing.

The Round Pond claims are in good standing, with assessment work filings required by November 18, 2021.

#### *Nevada Rose Precious Metals Property, Nevada, USA*

The Nevada Rose Project is situated about 145 kilometres (km) SSE of Carlin, NV and roughly 370 km NNE of Las Vegas, NV, towards the southerly intersection of the Battle Mountain-Eureka and Independence-Eureka Trends, approximately 12 km SW of the Ruby Hill mining district near Eureka City.

On February 28, 2020, the Company entered into an agreement with GeoCorp to acquire the Nevada Rose Project which consisted of 22 unpatented lode claims in SW Eureka County Nevada. Under the terms of the agreement, the Company was to issue 200,000 shares to GeoCorp upon approval by the TSXV (issued during the nine months ended November 30, 2020 with a fair value of \$10,000), pay \$10,000 USD upon closing of a financing of at least \$100,000 within 3 months of TSXV approval (paid with a value of \$13,535 CAD during the year ended February 28, 2021), and commit to a first-year work program of \$50,000 USD. The anniversary date of the future payments is set at July 3. The subsequent commitments are as follows:

- 1<sup>st</sup> anniversary - \$20,000 USD cash payment and \$200,000 USD work commitment
- 2<sup>nd</sup> anniversary - \$30,000 USD cash payment and \$200,000 USD work commitment
- 3<sup>rd</sup> anniversary through until the 10<sup>th</sup> anniversary - \$50,000 USD cash payment and \$500,000 USD work commitment per year.
- If not in production on the 10<sup>th</sup> anniversary, \$200,000 USD cash payment and \$2.0 million USD work commitment.

Upon completion of all payments and work commitments up to and including the 10<sup>th</sup> anniversary, the Company will have earned 100% interest in all property rights and title to the Nevada Rose Property. Upon production, all further payments and work commitments by the Company shall cease and a 3% NSR shall be granted to GeoCorp, with no buydown but a purchase of part or whole of the NSR is negotiable. On July 21, 2020, the Company received Exchange approval of the acquisition.

The Nevada Rose project targets a precious-metals system striking over a one-kilometre length on the edge of the pediment, which comprises previously identified silver-rich zones within a larger zoned system. The host rock is a sequence of Silurian dolostone overlain by Devonian limestones that dips gently east toward pediment cover.

During the year ended February 28, 2021, surface exploration work including regional prospecting and reconnaissance sampling was undertaken in September 2020. A LiDAR survey was flown covering the Nevada Rose property as well as an approximate 2km zone around the edges of the then-existing claim block. LiDAR uses a pulsed laser beam to measure variable distances to the earth's surface and with electronic filtering, is able to remove the effects of obscuring vegetation cover to highlight subtle differences in topography which can be significant for precious and base metal exploration. The survey also provided topographic data for an updated orthophoto base for geological mapping and further work on the property.

In May 2021, the Company expanded the Nevada Rose property, recording 15 lode claims, contiguous along the north, west and south edges of the original claim block. The new claims cover historic workings identified in the LiDAR survey, as well as favourable areas of geology and precious metal indicator elements in historic soils and rock chips.

#### *Angelo Bell Precious Metals Property, Nevada USA*

In May 2021, the Company recorded 16 lode claims, oriented north-south, and with their centre located approximately 7 km west from Nevada Rose, on a new property which has been named Angelo Bell. The claims cover old workings surrounding the Angelo Bell Mine, a historic property about which little information is available, but which produced small amounts of silver prior to 1900. To date Minfocus has not conducted any exploration on the property. Minfocus claims surround two lode claims which cover the workings of the Silver King Mine dating from the same period which were previously staked by others.

## Results of Operations

### General

As of August 31, 2021, total accumulated acquisition and exploration and evaluation expenditures for the mineral properties were as follows:

	Nevada Rose	Angelo Bell	Coral Zinc	Peregrine Zinc	Round Pond	Total
<b>Balance, February 29, 2020</b>	\$ -	\$ -	\$ 648,495	\$ 72,255	\$ 39,729	\$ 760,479
<b>Additions during the year</b>						
<b>Property acquisition costs</b>						
Cash	17,050	-	-	-	665	17,715
Shares issued for property interests	10,000	-	-	-	12,857	22,857
<b>Property exploration costs</b>						
Assays	3,649	-	-	-	-	3,649
Geophysical surveying	30,255	-	-	-	23,200	53,455
<b>Balance, February 28, 2021</b>	\$ 60,954	\$ -	\$ 648,495	\$ 72,255	\$ 76,451	\$ 858,155
<b>Additions during the period</b>						
<b>Property acquisition costs</b>						
Cash	8,794	9,380	-	-	-	18,174
<b>Property exploration costs</b>						
Geological costs	9,600	-	-	-	-	9,600
<b>Balance, August 31, 2021</b>	\$ 79,348	\$ 9,380	\$ 648,495	\$ 72,255	\$ 76,451	\$ 885,929

### Selected Annual Financial Data

The following selected financial data is derived from the audited financial statements of the Company prepared in accordance with IFRS.

	Year ended February 28, 2021	Year ended February 29, 2020	Year ended February 28, 2019
	\$	\$	\$
<b>Operations</b>			
Revenues	-	-	-
Expenses	181,345	40,846	319,959
Net Loss	163,666	51,837	1,522,762
<b>Balance Sheet</b>			
Working Capital	(318,704)	(341,816)	(300,798)
Total Assets	909,278	777,181	801,108

## Results of Operations

The Company had a net loss of \$56,378 (\$0.01 per share) during the six months ended August 31, 2021, compared with a net loss of \$10,571 (\$0.00 per share) during the six months ended August 31, 2020. No revenues were earned in either period. The significant expenses for the periods include the following:

- Accounting and audit (2021: \$6,500; 2020: \$14,499) decreased due to the timing of the audit bills received by the Company; and
- Consulting fees (2021: \$31,500; 2020: \$nil) increased due to the increased business activities of the Company.

## Summary of Quarterly Results

The following selected information has been extracted from the Company's unaudited quarterly financial statements. All amounts stated are stated in Canadian dollars in accordance with IFRS.

	August 31, 2021	May 31, 2021	February 28, 2021	November 30, 2020
	\$	\$	\$	\$
Revenue (loss)	Nil	Nil	Nil	Nil
Net income (loss)	(32,421)	(23,957)	(24,310)	(128,785)
Net (loss) per share	(0.01)	(0.00)	(0.00)	(0.01)
Total assets	913,491	908,744	909,278	923,724
Working capital	(402,856)	(360,835)	(318,704)	(302,129)
Total liabilities	424,769	387,601	364,178	364,314
Equity	488,722	521,143	545,100	559,410

	August 31, 2020	May 31, 2020	February 29, 2020	November 30, 2019
	\$	\$	\$	\$
Revenue (loss)	Nil	Nil	Nil	Nil
Net income (loss)	(4,034)	(6,537)	(25,099)	(6,478)
Net (loss) per share	(0.00)	(0.00)	(0.00)	(0.00)
Total assets	946,892	790,315	777,181	785,494
Working capital	(209,556)	(348,353)	(341,816)	(325,171)
Total liabilities	335,129	359,683	352,869	336,083
Equity	611,763	430,632	424,312	449,411

## Liquidity and Capital Resources

The Company is dependent on raising funds by the issuance of shares, borrowings or subsequent disposition of interests in mineral properties it may own or otherwise acquire in order to finance further acquisitions, undertake exploration of other mineral properties and meet general and administrative expenses in the immediate and longer term.

As at August 31, 2021, the Company had cash and cash equivalents of \$19,009 as compared to \$41,480 at February 28, 2021. The Company had a working capital deficit of \$402,856 at August 31, 2021, compared with a deficit of \$318,704 at February 28, 2021.

The future funding needs of the Company are dependent upon the Company's ability to obtain additional equity and/or debt financing. The inability to raise adequate financing would jeopardize the Company's ability to maintain its property. The Company continues to closely monitor its ongoing requirements and to explore all methods of raising additional funds. There can be no certainty that such additional funds may be raised when required.

### Related Party Transactions

Related parties include the Board of Directors, Officers, and close family members of members of the Board of Directors and Officers and enterprises that are controlled by these individuals as well as certain persons performing similar functions. The Company entered into the following transactions with related parties during the six months ended August 31, 2021 and 2020:

For the three months ended	August 31, 2021	August 31, 2020
Compensation - cash	\$ 36,500	\$ 5,000

Officers and directors of the Company and companies controlled by such individuals were owed \$236,247 as at August 31, 2021 (February 28, 2021 – \$192,751) for services rendered and for expenses incurred in the ordinary course of business. The amounts are unsecured, non-interest bearing with no fixed terms of repayment.

### Outstanding and Convertible Common Shares

The Company's authorized share capital is unlimited common shares without par value. As at the date of this report, the Company's issued share capital was comprised of 4,982,146 common shares.

The following table summarizes information about stock options outstanding and exercisable at the date of this report:

Number of Options	Exercise Price	Expiry Date	Number of Exercisable Options
20,000	\$0.40*	December 19, 2021	20,000
94,285	\$0.40*	February 7, 2023	94,285
17,143	\$0.40*	February 14, 2023	17,143
8,571	\$0.40*	February 19, 2023	8,571
8,571	\$0.40*	March 27, 2023	8,571
260,858	\$0.35	September 10,	260,858
409,428			409,428

\*Indicates an amended price

In September 2020, the Company re-priced 40,000 stock options previously granted to

consultants to \$0.40. At the Company's Annual and Special Meeting held in October 2020, the shareholders approved the re-pricing of 108,571 stock options previously granted to insiders of the Company to \$0.40. The Company recorded \$10,000 of share-based compensation for these repriced options.

The following table summarizes information about warrants outstanding and exercisable at the date of this report:

Number of Warrants	Exercise Price	Expiry Date	Number of Exercisable Warrants
880,000	\$0.25	July 3, 2022	880,000

A total of 300,000 warrants were exercised subsequent to the six months ended August 31, 2021. Each warrant was exercised into one common share of the Company at a price of \$0.25 per share for gross proceeds of \$75,000

### **Financial Risk Factors**

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate, foreign exchange rate, and metals price risk).

Risk management is carried out by the Company's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

#### *Liquidity risk*

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if the Company's access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or related to matters specific to the Company. The Company generates cash flow primarily from its financing activities. As at August 31, 2021, the Company had a cash balance of \$19,009 (February 28, 2021 - \$41,480) to settle current liabilities of \$424,769 (February 28, 2021 - \$353,311). All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. The Company regularly evaluates its cash position to ensure preservation and security of capital as well as maintenance of liquidity. The Company has no other contractual obligations other than trade and other payables. The Company's ability to meet its obligations and carry out its planned exploration activities is uncertain and dependent upon the continued financial support of its shareholders and securing additional financing.

### *Market risk*

(a) Interest rate risk

The Company has cash balances and no interest-bearing debt, other than the debt owing to a (former) director discussed above. The Company's current policy is to invest excess cash in guaranteed investment certificates or interest-bearing accounts of select major Canadian chartered banks. The Company regularly monitors compliance to its cash management policy.

(b) Foreign currency risk

The Company's functional and reporting currency is the Canadian dollar and a significant portion of the Company's expenditures are transacted in Canadian dollars. As a result, the Company's exposure to the foreign currency risk is minimal at this time but may increase as the Company develops its US based property.

(c) Commodity price risk

The Company is exposed to price risk with respect to base and precious metal prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to price movements and volatilities. The Company closely monitors prices to determine the appropriate course of action to be taken by the Company.

(d) Credit risk

Credit risk is the risk of an unexpected loss if a third party to a financial instrument fails to meet its contractual obligations. Credit risk for the Company is primarily associated with amounts receivable, which is comprised of GST/HST receivable due from the Federal Government of Canada. The Company has no significant concentration of credit risk arising from its operations. Management believes that the credit risk concentration with respect to amounts receivable is low.

### **Off-Balance Sheet Arrangements**

The Company has no off-balance sheet arrangements.

### **Significant Accounting Policies and Estimates**

The preparation of financial statements requires management to establish accounting policies, estimates and assumptions that affect the timing and reported amounts of assets, liabilities revenues and expenses. These estimates are based on historical experience and on various other assumptions that management believes to be reasonable under the circumstances and require judgement on matters which are inherently uncertain. Details of the Company's significant accounting policies and new standards not yet adopted by the Company can be found in the audited financial statements for the year ended February 28, 2021.

## **Investor Relations Activities**

The Company does not have any investor relations arrangements.

## **Forward Looking Statements**

This discussion includes certain statements that may be deemed “forward-looking statements”. All statements in this discussion, other than statements of historical facts, which address future production, reserve potential, exploration activities and events or developments that the Company expects, are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, continued availability of capital and financing, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance, that the Company expressly disclaims any responsibility for revising or expanding the forward-looking statements to reflect actual results or developments, and that actual results or developments may differ materially from those projected, in the forward-looking statements.

Readers are referred to the more detailed information described in other disclosure documents filed with the applicable Canadian securities regulatory authorities and available at [www.sedar.com](http://www.sedar.com).