

**JAZZ RESOURCES INC.
YEAR ENDED JUNE 30, 2021**

MANAGEMENT'S DISCUSSION AND ANALYSIS

Note to Readers

This Management Discussion and Analysis ("MD&A") should be read in conjunction with the audited consolidated financial statements of Jazz Resources Inc. ("Jazz" or "the Company") for the year ended June 30, 2021 and the related notes which have been prepared in accordance with International Financial Reporting Standards ("IFRS").

1.1 Date

This MD&A is prepared as of October 28, 2021. All dollar figures stated herein are expressed in Canadian dollars. The Canadian dollar is the functional currency of both the parent company and its wholly owned subsidiary.

1.2 Overview

The Company is a junior mining resource company focused on acquiring, exploring and developing mineral properties. During the year ended June 30, 2021, the Company was focused on the development of the Teddy Glacier and Spider properties located in the Revelstoke and Camborne mining districts of British Columbia, Canada.

On January 20, 2021, Jazz closed its acquisition from Coltan Gold Minerals Inc. ("Coltan") of Coltan's interest in and to a JV Royalty Agreement (as defined below) respecting the Vila Nova gold exploration and development project located in Amapa, Brazil. Pursuant to a purchase and sale agreement between the Company and Coltan dated September 2, 2020, the Company acquired all of Coltan's interest in a JV Royalty Agreement dated July 6, 2020 ("JV Royalty Agreement") between Coltan and Eco Mining Oil & Gaz Drilling and Exploration EIRELI ("Eco"), wherein Jazz shall have the option and right to acquire a 50% net profits interest in the Vila Nova property. Pursuant to the terms of the JV Royalty Agreement, in order to exercise the option and acquire the rights thereunder, the Company must make the following payments to Eco, subject to satisfactory project assessment prior to each stage of funding:

1. an initial payment of USD\$500,000 to fund the 2,000 m drilling program and related costs needed to complete the business plan to construct a 1,280 t/d bulk exploitation program on the Vila Nova property (payment made by third party prior to acquisition of the JVRA);
2. a second payment of USD\$500,000 (paid); and
3. a final payment of USD\$5,000,000, or as mutually agreed between the parties.

As of June 30, 2021, \$2,892,959 (\$2,299,930 USD) had been paid towards the option and acquisition of the profits interest. Additional payments totaling \$506,100 (\$400,000 USD) were made subsequent to June 30, 2021. The intention is to fund as much as the project needs to be profitable, at which time Eco will repay the advanced funds to the Company prior to any profit participation splits as described below. Eco and Jazz will mutually agree on when the option and acquisition of the profits interest has been completed. The intent for the funding was to produce a functioning mill to process the gold ore. Original expectations of the size of the mill have been downgraded, thus, the full \$6M USD may not be needed.

If exercised and all required payments are made (and after the loans have been repaid), Jazz shall receive a 50% net profits interest from all products and minerals produced from the Vila Nova property and exclusive rights to explore and develop the property, including initiating and carrying out commercial production. Eco will remain the sole operator of all mining-related activity on the property, including environmental remediation. In the event the agreement is terminated, any cash advances made will convert into a two year loan bearing 6% interest.

Jazz will have the right, at any time, prior to completing the payments under the JV Royalty Agreement, to give notice to Eco to terminate the JV Royalty Agreement, and all payments (either previously made by Coltan or currently made by Jazz) to Eco will be secured and converted to a loan bearing interest at 6% per annum for a two-year term.

As consideration for Coltan's interests in the JV Royalty Agreement, the Company issued to Coltan 5,125,000 common shares. Coltan cannot own, upon exercise of its right to acquire the additional common shares, more than 19.5% of the issued and outstanding shares of the Company, without approval by the disinterested shareholders of the Company.

Summary of Activities at Vila Nova Mining Site

The Company has commenced exploration and development on the Vila Nova property, which includes 2,000 m of drilling and the completion of a resource estimate and a preliminary economic assessment by GE21 Mining Consultoria Mineral of Brazil ("GE21"). In March 2021, GE21 commenced core drilling and sampling and trenching of tailings where 1400m of diamond drilling was completed.

Assays from fifteen samples from two different accumulations of tailings materials were received. Initial results from the fifteen samples average 19.4 g/tonne gold with a range from zero to 49.9 g/tonne gold. The fifteen samples represented fifteen widely spaced auger tests ranging from 4-12 meters depth. Five auger test holes were from the "Stockpile" area and ten were from the "Big Dam" tailings location on the Vila Nova Gold Project, a property that was previously hand-mined over the last 90 years with generally poor recoveries with up to 70% of the gold remaining in the waste materials.

In May 2021, the Company announced that Eco had entered into an agreement to acquire, install and operate a gravimetric plant capable of processing up to 800 tonnes of ore per day. In June 2021, the Company announced that sampling conducted on the property had returned multiple samples running as high as 10-50 grams per tonne over thicknesses averaging about 3 meters over the 111.7 hectares. Because of the variations in values the Company continued to make additional test holes to establish an overall definitive grade and tonnage. From work conducted to date, the Company estimated exploration target of between 7.8 and 9.5 million tonnes grading between 2.4 to 3.0 grams per tonne. Pursuant to a geological report on the Vila Nova Gold Project prepared in June 2021 by geological engineer Hamilton Antonio Giampietro of GENESIS GEOLOGIA ME located in Macapa, Amapa State, Brazil, Mr. Giampietro concludes that an average grade of 2.7 grams gold per tonne can be considered, for a projected contained gold content of in excess of 700,000 ounces within the 111.7 hectares in nine separate accumulations of previously mined materials.

After the yearend, the Company received more encouraging results from its exploration efforts:

- Sampling conducted on the property to date has returned multiple samples running as high as 10-50 grams per tonne over thicknesses averaging about 3 meters over the 111.7 hectares. Considerable variation in values to date will require many additional test holes to establish an overall definitive grade and tonnage. From work conducted to date an estimated exploration target of between 7.8 and 9.5 million tonnes grading between 2.4 to 3.0 grams per tonne can be estimated.
- On October 21, 2021, the Company reported that drilling on the bedrock portion of the Vila Nova gold project has intersected veins totaling 23.09 meters grading 31.58 g/t (one ounce per tonne) at a vertical depth of 74.47 meters in Hole VN-3 (Cord. 0.4075N, 51.7359W). The intersection represents three quartz veins within a 37.78 meter interval that averages 19.3 g/t (0.62 oz) over the entire interval. True width of the unit is estimated at 80% of down-hole length in steeply dipping units that subcrop below the 20 meters of unconsolidated tailings and rubble from previous hand mining. Nineteen (19) holes were drilled over 2,000 meters. The foregoing results were derived from the results of five (5) holes, and assays are pending on the remaining fourteen (14) holes.
- On October 27, 2021, the Company reported that drilling undertaken on the bedrock portion of the Vila Nova gold project has intersected multiple veins with visible gold in all four drill holes, including the previously reported veins totaling 23.09 meters grading 31.58 g/t (one ounce per tonne) at a vertical depth of 74.47 meters in Hole VN-3 (Cord. 44.416N, 418.157W). The aforementioned intersection represents three quartz veins within a 37.78-meter interval that averages 19.3 g/t (0.62 oz) over the entire interval. True width of the unit is estimated at 60% of down-hole length in steeply dipping units that sub-crop below the 20 meters of unconsolidated tailings and rubble from previous hand mining.

The reader is cautioned that, as assays have not been completed on the remaining holes, these results are selective and may not represent the values over the property in general.

Other activities

During the year, the Company completed the following financings by way of a non-brokered private placement;

- 3,737,000 units at a price of \$0.25 per unit for aggregate gross proceeds of \$ 934,250. Each unit is comprised of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of \$0.35 per warrant share for a period of eighteen months from the date of issuance. The Company paid a finder’s fee of \$17,340 and 50,100 warrants in relation to this issue, and;
- 8,355,000 units at a price of \$0.20 per unit for gross proceeds of \$1,671,000. Each unit is comprised of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of \$0.39 until six months from the date of issuance. The Company paid a finder’s fee of \$14,520 and 34,500 in agent’s warrants.

It also had warrant exercises where 61,350 of common shares were issued at a price of \$0.20 per share for total proceeds of \$12,270.

In addition, the Company also closed an offering of unsecured convertible debentures for a total of \$2,464,000 (the “Debentures”). The Debentures will mature two (2) years from the date of issuance and shall bear interest at a rate of 8% per annum, payable and compounded annual. The principal sum or any portion thereof, may be converted into units of the Company at a conversion price of \$0.30 per unit, commencing on the date that is six (6) months from the date that the Debentures are issued. Each unit shall be comprised of one common share (a “Conversion Share”) and one share purchase warrant (a “Warrant”). Each Warrant shall entitle the holder to acquire one additional common share (a “Warrant Share”) of the Company at a price of \$0.30 per share for a period of eighteen (18) months from the date that the Warrants are issued.

As well, the Company, disposed of multiple lots in connection with the Spider property for cash consideration of \$113,989.

On March 11, 2020, the World Health Organization categorized COVID-19 as a pandemic. The potential economic effects within the Company’s industry and in the global markets, including possible disruptions in the Company’s operations, and measures being introduced at various levels of government to curtail the spread of the virus (such as travel restrictions, closures of non-essential municipal and private operations, imposition of quarantines and social distancing) to date have not had a material impact on the Company’s operations and ability to access capital. The full extent of the impact of this outbreak and related containment measures on the Company’s operations cannot be reliably estimated at the date the financial statements were approved.

1.3 Selected Annual Information

	Year ended June 30, 2021	Year ended June 30, 2020	Year ended June 30, 2019
	\$	\$	\$
Total revenues	Nil	Nil	Nil
General and administrative expenses	608,475	160,065	125,137
(Loss) income for the period	(468,475)	(160,065)	(121,803)
(Loss) income per share – basic and diluted	(0.04)	(0.06)	(0.05)
Total assets	7,545,524	1,607,075	1,484,672
Total liabilities	3,362,962	2,020,261	1,762,793
Cash dividends declared – per share	Nil	Nil	Nil

The Company had net loss of \$468,475 year ended June 30, 2021, compared to a net loss of \$160,065 for the year ended June 30, 2020.

The Company saw its assets increase from approximately \$1.6M as at June 30, 2020 to approximately \$7.5M as at June 30, 2021. The increase in total assets was due to an increase of cash balances due to the financing efforts throughout the year as well as and loans receivable and deferred acquisition of net profits interest in the JVRA from Coltan Gold Minerals Inc for the Vila Nova property during the year.

The Company also saw its liabilities increase from approximately \$2.0M as at June 30, 2020 to approximately \$3.4M as at June 30, 2021. The increase in liabilities was due to the convertible debentures received in relation to funding the loans receivable as per the JVRA.

1.4 Results of Operations for the year ended June 30, 2021

This review of the results of operations should be read in conjunction with the consolidated financial statements of the Company for the year ended June 30, 2021.

Overview

For the year ended June 30, 2021, the Company had net loss \$468,475 compared to a net loss of \$160,065 for the same period ended June 30, 2020. The increase was largely due to professional fees and consulting fees incurred during the current period in relation to the sale of lots on the Spider property and the negotiation of the purchase of the JVRA with Colton.

Expenses

Overall, activities for the Company have ramped up significantly over the year. More administrative costs, public company and professional fees were needed to manage the additional work involved. In addition, share based compensation from the issuance of options as well, the interest and accretion expense for the issuance of convertible debt was incurred where it was not in fiscal 2020.

General and administrative expenses totaled \$468475 for the year where in the previous year it was \$160,065.

The largest expense items were professional fees of \$168,059, consulting fees of \$131,741, as well as share-based compensation of \$93,313. These items accounted for approximately 65% of the Company's total general and administrative expenses.

1.5 Summary of Quarterly Results

	Three Months Ended							
	30-Jun	31-Mar	31-Dec	30-Sep	30-Jun	31-Mar	31-Dec	30-Sep
	2021	2021	2020	2020	2020	2020	2019	2019
	\$	\$	\$	\$	\$	\$	\$	\$
Total Revenues	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net Loss	(134,040)	(219,392)	(67,187)	(47,856)	(62,324)	(37,562)	(30,508)	(29,671)
Net Loss per share	(0.01)	(0.02)	(0.01)	(0.01)	(0.02)	(0.01)	(0.01)	(0.01)

1.6 Liquidity

Working Capital

As at June 30, 2021 the Company had \$1,082,495 (June 30, 2020 - \$22,263) cash on hand and working capital deficiency of \$2,258,908 as compared to a deficiency of \$1,952,634 at June 30, 2020. The decrease in working capital was primarily due to the issuance of convertible debt to finance a long-term investments associated with the Vila Nova property.

As at June 30, 2021 the Company had amounts receivable of \$17,067 (June 30, 2020 - \$45,364), accounts payable of \$1,291,133 (June 30, 2020 - \$1,298,689), loans payable of \$7,708 (June 30, 2020 - \$76,120), and balance owed to related parties of \$50,833 (June 30, 2020 - \$645,452).

Outlook

The future operations of the Company are dependent on its ability to raise sufficient funds to carry out its exploration activities. Although early results from the Vila Nova property are promising, there is no assurances the amount of gold ore is economically accessible and in order for the Company to realize on any return on its investment could still require a significant amount of investment and raising additional capital to fund operations.

1.7 Capital Resources

The Company is dependent on the sale of share capital and other alternative methods of financing in order to finance its future activities, until a time that it sees a return of its loans and investments in the property in Brazil.

During year ended June 30, 2021, the Company:

- completed a private placement by issuing 8,355,000 Units at a price of \$0.20 per unit for gross proceeds of \$1,671,000;
- issued 61,350 of common shares on the exercise of warrants at a price of \$0.20 per unit for aggregate gross proceeds of \$12,270;
- completed a private placement by issuing 3,737,000 units at a price of \$0.25 per unit for aggregate gross proceeds of \$934,250;
- issued \$2,464,000 of convertible debentures that mature in 2 years, bearing interest at a rate of 8% per annum, payable annually. The debentures are convertible at \$0.30 per share, and;
- disposed of multiple lots in connection with the Spider property for cash consideration of \$113,989.

1.8 Off-Balance Sheet Arrangements

The Company did not have any off-balance sheet arrangements.

1.9 Transactions with Related Parties

As at June 30, 2021, a total of \$50,833 (June 30, 2020 - \$625,452) was owing to the President of the Company.

During the year ended June 30, 2021, the Company:

- accrued \$13,370 (2020 - \$40,000) in interest on related party loans;
- repaid \$432,989 of these loans;
- repaid interest bearing loans of \$175,000.

All amounts remaining are non-interest bearing and have no fixed terms of repayment.

In addition, during the year ended June 30, 2021, \$83,500 was charged for professional fees to a company controlled by the Chief Financial Officer. As at June 30, 2021 a total owing of \$45,000 was due this company (June 30, 2020 - \$20,000) and is included in account payable and accrued liabilities.

As at June 30, 2021, \$406,558 (June 30, 2020 - \$406,558) was owing to former President of the Company and \$300,684 (June 30, 2020- \$300,684) was owed to a company owned by the former President of the Company. The outstanding balances remain in accounts payable as at June 30, 2021.

During the year ended June 30, 2018, the Company received notice of a claim filed by the former President of the Company seeking to collect the outstanding balances as well as additional interest and other charges in the amount of \$1,047,615. While the outcome of this matter is uncertain, no additional provision has been accrued in respect of the claim as the Company believes the claim to be without merit and intends to vigorously defend itself should legal action be required.

1.10 Proposed Transactions

None

1.11 Future Accounting Standards and Interpretations

There are no IFRS or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

1.12 Financial Instruments and Risk Management

The Company's financial instruments consist of cash, amounts receivable, security deposits, accounts payable and accrued liabilities, due to related parties, loan payable and convertible debentures payable. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

Assets and liabilities measured at fair value on a recurring basis were presented on the Company's statement of financial position as at June 30, 2021 as follows:

	Fair Value Measurements Using			Balance, June 30, 2021 \$
	Quoted prices in active markets for identical instruments (Level 1) \$	Significant other observable inputs (Level 2) \$	Significant unobservable inputs (Level 3) \$	
Cash	1,082,495	–	–	1,082,495

As June 30, 2021, the Company's cash is measured at level 1 inputs of the fair value hierarchy, consisting of quoted prices in active markets for identical assets. The fair value of all other financial instruments approximates their carrying values due to the relatively short-term maturity of these instruments.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company believes it has no significant credit risk.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at June 30, 2021, the Company had a cash balance of \$1,082,495 to settle current liabilities of \$3,362,962. There is a risk that the Company may not be able to fulfill its obligation when a liability is due. All of the Company's current financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

(a) Interest rate risk

The Company has \$33,500 of security deposits earning interest at an average rate of 0.57% per annum.

(b) Foreign currency risk

The Company does not have assets or liabilities in a foreign currency and therefore is not exposed to foreign currency risk.

(c) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

1.13 Critical Accounting Estimates

The preparation of these consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts and presentation of assets, liabilities, revenues, expenses and disclosures of contingencies and commitments. Although these estimates are based on management's expectations for the likely outcome, timing and amounts of events or transactions, actual results may differ from these expectations and the corresponding amounts and disclosures reported in these financial statements.

Areas where management is required to make significant estimations or where measurements are uncertain are as follows:

i) *Mineral properties and deferred exploration costs*

The measurement, depletion and impairment of mineral properties and deferred exploration costs are based on various judgments and estimates. These include the technical and commercial feasibility of these properties, which incorporates various assumptions for mineral reserves, future mineral prices, and operating and capital expenditures for the properties.

ii) *Reclamation provision*

The Company records a reclamation provision for the discounted present value of expected future expenditures, if any, required to environmentally reclaim its mineral properties. The measurement of this provision, if one exists, is based on estimates for the amounts and timing of future cash flows. Differences between actual cash flows and those estimated could result in the reclamation provision being over or understated.

iii) *Taxation*

Tax provisions are recognized to the extent that it is probable that there will be a future outflow of funds to a taxation authority. Such provisions often require judgment on the treatment of certain taxation matters that may not have been reported to or assessed by the taxation authority at the date of these financial statements. Differences in judgment by the taxation authority could result in changes to actual taxes payable by the Company.

Deferred tax assets are recognized to the extent that certain taxable losses or deferred expenditures will be utilized by the Company to reduce future taxes payable. The amount of deferred tax assets recognized, if any, is based on objective evidence that the Company will generate sufficient future taxable income to utilize these deferred tax assets, as well as the expected future tax rates that will apply to these assets. Changes to the Company's ability to generate sufficient taxable income or changes to enacted tax rates could result in the write-down of deferred tax assets, or the recognition of new deferred tax assets.

iv) *Share-based compensation*

The Company uses the Black-Scholes option pricing model to determine the fair value of stock options granted. This model requires management to estimate the volatility of the Company's future share price, expected lives of stock options and future dividend yields. Consequently, there is significant measurement uncertainty in the share-based compensation expense reported.

v) *Convertible debenture*

Convertible debentures are financial instruments which are accounted for separately dependent on the nature of their components: a financial liability and an equity instrument. Where the conversion option has a fixed conversion rate, the financial liability, which represents the obligation to pay coupon interest on the convertible debentures in the future, is initially measured at its fair value and subsequently measured at amortized cost. The residual amount is accounted for as an equity instrument at issuance.

1.14 Other MD&A Requirements

Additional Information

Additional information about the Company is available on SEDAR at www.sedar.com.

Share Capital

As of the date of this MD&A the Company had 21,161,236 common shares outstanding, 1,500,000 stock options outstanding, and 6,259,500 share purchase warrants outstanding and exercisable.

General and Administrative Expenses

	Year Ended June 30, 2021	Year Ended June 30, 2020	Year Ended June 30, 2019
	\$	\$	\$
Amortization	nil	nil	1,072
Accretion expense	42,045	nil	nil
Consulting fees	131,741	20,000	15,400
Filing fees	86,760	19,168	18,297
Interest and finance fees	39,967	45,915	45,280
Office and miscellaneous	38,522	11,627	16,964
Professional fees	168,059	47,631	28,124
Transfer agent fees	8,447	15,724	-
Share based compensation	93,314	-	-
Total expenses	<u>608,475</u>	<u>160,065</u>	<u>125,137</u>

Mineral Property and Deferred Exploration Costs

The Company owns two mineral properties: the Teddy Glacier Property and the Spider Property which are both located in the Province of British Columbia ("B.C."). The Teddy Glacier Property is located in the Revelstoke Mining Division in B.C., comprising of claims that are 100% owned by the Company. The Spider Property is comprised of certain Crown granted mineral claims and several land lots in fee simple within the township of Camborne, B.C.

During the year ended June 30, 2021, the Company disposed of multiple lots in connection with the Spider Property in Camborne for cash consideration of \$113,989 which was recorded as a recovery against the property;

The following table summarizes mineral rights and property costs, by property:

	Teddy Glacier	Spider	Total
Balance, June 30, 2019	\$ 729,984	\$ 648,255	\$ 1,378,239
Acquisition costs	1,110	-	1,110
Property taxes	-	4,942	4,942
Government subsidies (Note 4)	-	(37,364)	(37,364)
Site exploration	94,672	64,349	159,021
Balance, June 30, 2020	825,766	680,182	1,505,948
Property taxes	30,835	-	30,835
Government subsidies (Note 4)	-	38,712	38,712
Site exploration	72,505	-	72,505
Sale of lots	-	(113,989)	(113,989)
Balance, June 30, 2021	\$ 929,106	\$ 604,905	\$ 1,534,011

Deferred Net Profit Interest Costs

On January 20, 2021, the Company acquired from a third party, its interest in a JV Royalty Agreement dated July 6, 2020 (“JVRA”) with Eco Mining Oil & Gaz Drilling and Exploration EIRELI (“Eco”) respecting the Vila Nova gold exploration and development project located in Amapa, Brazil.

Pursuant to a purchase and sale agreement, the Company acquired a 100% interest in the JVRA, wherein the Company shall have the option and right to acquire a 50% net profits interest in the Vila Nova property. Pursuant to the terms of the JVRA, in order to exercise the option and acquire the rights thereunder, the Company must make the following payments to Eco, subject to satisfactory project assessment prior to each stage of funding:

- an initial payment of USD\$500,000 to fund the 2,000 m drilling program and related costs needed to complete the business plan to construct a 1,280 t/d bulk exploitation program on the Vila Nova property (payment made by third party prior to acquisition of the JVRA);
- a second payment of USD\$500,000 (paid); and
- a final payment of up to USD\$5,000,000 or as mutually agreed between the parties.

As of June 30, 2021, \$2,892,959 (\$2,299,930 USD) had been paid to Eco in relation to the payments for the option and acquisition of the profits interest. Additional payments totaling \$506,100 (\$400,000 USD) were made subsequent to June 30, 2020.

If exercised and all payments are made, the Company shall receive a 50% net profits interest from all products and minerals produced from the Vila Nova property and exclusive rights to explore and develop the property, including initiating and carrying out commercial production. Eco will remain the sole operator of all mining-related activity on the property, including environmental remediation. In the event the JVRA is terminated, the cash amounts advanced will convert into a 2 year term loan with interest bearing 6% per annum.

During the year the Company acquired the JVRA for the Vila Nova property from a third party through issuance of 5,125,000 common shares valued at \$1,981,000.

The following table summarizes the net carrying value of the deferred acquisition of net profit interests:

Forward	Looking	Statements
		Vila Nova
Balance, June 30, 2020	\$	-
Option and acquisition payments made		2,892,959
Shares issued to acquire JVRA		1,981,000
Balance, June 30, 2021	\$	4,873,959

All statements in this report that do not directly and exclusively relate to historical facts constitute forward-looking statements. These statements represent the Company’s intentions, plans, expectations and beliefs, and are subject to risks, uncertainties, and other factors of which many are beyond the control of the Company. These factors could cause actual results to differ materially from such forward-looking statements. The Company disclaims any intention or obligation to update or revise any forward-looking statements, as a result of new information, future events or otherwise.