
The following Management's Discussion and Analysis ("MD&A") is current as of December 28, 2021. This MD&A contains a review and analysis of the financial results for Fairchild Gold Corp. ("the Company") for the three and nine months ended May 31, 2021.

This MD&A supplements but does not form part of the condensed financial statements of the Company and Notes thereto for the three and nine months ended May 31, 2021, and consequently should be read in conjunction with the afore-mentioned financial statements and notes thereto.

All amounts both in the Company's financial statements and this MD&A are expressed in Canadian dollars.

FORWARD-LOOKING STATEMENTS

This MD&A contains certain "forward-looking information" which may include, but is not limited to, statements with respect to future events or future performance, management's expectations regarding the Company's growth, results of operations, estimated future revenues, requirements for additional capital, production costs and revenue, future demand for and prices of gold and precious metals, business prospects and opportunities. In addition, statements relating to mineral estimates or mineralized material of recoverable metals are forward-looking information, as they involve implied assessment, based on certain estimates and assumptions, that the metals can be profitably produced in the future. Such forward-looking information reflects management's current beliefs and is based on information currently available to management. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "predicts", "intends", "targets", "aims", "anticipates" or "believes" or variations (including negative or grammatical variations) of such words and phrases or may be identified by statements to the effect that certain actions "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. A number of known and unknown risks, uncertainties and other factors may cause the actual results or performance to materially differ from any future results or performance expressed or implied by the forward-looking information. Such factors include, among others, general business, economic, competitive, political and social uncertainties; development and/or exploration activities and the accuracy of probability simulations prepared to predict prospective mineral resources; changes in project parameters as plans continue to be refined; labor force availability and turnover; delays in obtaining governmental approvals and permits or in the completion of development or construction activities or in the commencement of operations; as well as those factors discussed in the section entitled "Risks Factors" in this MD&A. These factors should be carefully considered and readers of this MD&A should not place undue reliance on forward-looking information.

Although the forward-looking information contained in this MD&A is based upon what management believes to be reasonable assumptions, there can be no assurance that such forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. Such forward-looking information is made as of the date of this MD&A and, other than as required by applicable securities laws, the Company assumes no obligation to update or revise such forward-looking information to reflect new events or circumstances.

BASIS OF PRESENTATION

The condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. Our significant accounting policies applied in the condensed consolidated interim financial statements are the same as those applied in Note 3 of our annual consolidated financial statements as at and for the years ended August 31, 2020.

BUSINESS OVERVIEW

Background

The Company was incorporated on November 28, 2019 under the *Business Corporations Act (British Columbia)*.

In August 2021, the Company incorporated a fully owned subsidiary, Fairchild Gold (NV) Inc. in the state of Nevada as the company explored mineral properties in the state.

The Company is engaged in the acquisition and exploration of mineral properties. The Company's primary asset is the Fairchild Lake property. On January 16, 2020, the Company entered into an option agreement with 1544230 Ontario Inc. pursuant to which the Company may acquire a 100% interest in the mineral claims known as Fairchild lake mineral property located in the Kenora Mining Division of Ontario (the "Claims") from the Optionor.

The Claims are subject to a 1.5% net smelter returns royalty which the Company may reduce to 0.75% upon a further payment of \$500,000.

Under the Option Agreement, the Optionee will be required to make cash payments totaling \$86,000 as follows:

- a. \$16,000 upon execution and delivery of this agreement – **paid**,
- b. \$12,000 on or before January 16, 2021- **paid**
- c. \$14,000 on or before January 16, 2022,
- d. \$16,000 on or before January 16, 2023, and
- e. \$28,000 on or before January 16, 2024.

On February 12, 2021 the Company filed a technical report under National instrument 43 – 101. The report prepared by Matthew Long P. Geo. covered the technical analysis of the Fairchild Lake property in the Patricia mining division of Northwestern Ontario.

The Property lies in the western arm of the Savant Lake greenstone belt.

The conclusion of the report is the recommendation for an exploration program comprised of detailed geological mapping, manual outcrop stripping washing and sampling to be completed on the four main historical zones further the report recommended specific soil sampling grids in an effort to identify structures favorable for mineralization accumulation. The cost of the recommended program was estimated at \$201,225.

A copy of the report is available on Sedar:

<https://www.sedar.com/DisplayProfile.do?lang=EN&issuerType=03&issuerNo=00051580>

Operational overview

On November 2, 2020 the Company granted 750,000 incentive options fully vested from the grant date to directors and officers. The options have an exercise price of \$0.15 per share and are valid for five years from the grant date.

On May 13, 2021 the Company entered into an agency agreement with Leede Jones Gable Inc. for purposes of an initial public offering of common shares at a price of \$0.15 per share. The agreement required the Company to pay a corporate finance fee of \$30,000, agent's commission of 10% of the gross proceeds and compensation options equal to 10% of the total number of shares subscribed for under the offerings.

On June 18, 2021 the Company completed the IPO per the terms described above raising gross proceeds of \$1,035,000, paying commission of \$103,500 and issuing 690,000 common share options.

On June 30, 2021 the company appointed Mr. Luís Martins as a director of the company upon the resignation of Mr. James Clark.

On August 03, 2021 the Company appointed Mr. Luís Martins as CEO upon the resignation of Robert Coltura. Mr. Martins has 30 years of experience in the exploration and mining sector. He holds a MSc in Economic Geology from the Faculty of Sciences of Lisbon and is regarded as a highly accomplished geologist with particular relevance to the future explorations in Nevada.

On August 11, 2021 the Company announce the appointment of Dr. Sergei Diakov as Senior Advisor and Chairman of a newly established Company's Technical Committee. Dr. Diakov has a proven discovery record: leading his BHP team to the original discovery of Oyu Tolgoi Porphyry Cu-Au-Mo deposit in Mongolia and, most recently, he led his AngloGold Ashanti team resulting in a significant copper-gold porphyry discovery Nuevo Chaquiro in Colombia.

On December 14, 2021, the Company filed a preliminary short form prospectus, offering up to 10,000,000 units at a price of \$0.20 per unit – each unit comprising a common share and a share purchase warrant. Each warrant entitling the holder to purchase one common share at a price of \$0.30 for 60 months from the closing date of the offering. The Company has agreed to pay a cash commission of 8% and provide the agent with options totaling 8% of the shares issued under the offering

Exploration assets

The value and continuity of the Company's exploration and evaluation assets are summarized as follows:

Fairchild Gold Corp.
Management's discussion and analysis
For the three months and nine months ended May 31, 2021

Amended and Restated

	Acquisition Costs	Exploration Costs	Total
Balance at November 28, 2019	\$ -	\$ -	\$ -
Additions:			
Option payments	16,000	-	16,000
Exploration	-	48,164	48,164
Assays and testing	-	6,643	6,643
Surveys	-	60,681	60,681
Supplies	-	3,573	3,573
Travel	-	20,871	20,871
Balance, August 31, November 30, 2020 & February 28, 2021	<u>\$ 16,000</u>	<u>\$ 139,932</u>	<u>\$ 155,932</u>
Additions for the 3 months:			
Option payments	12,000	-	12,000
Geological Reports	-	10,161	10,161
Balance, May 31, 2021	<u>\$ 28,000</u>	<u>\$ 150,093</u>	<u>\$ 178,093</u>

The Company continues to evaluate the Fairchild property, but has become increasingly interested in properties in the state of Nevada. The new director appointee has significant experience in the area and the Company is looking at alternatives.

SUMMARY OF QUARTERLY RESULTS

The following table summarizes the Company's quarterly results since incorporation on November 28, 2019:

	Year ending August 31, 2021			Period ended August 31, 2020			
	Quarter ended May 31, 2021	Quarter ended February 28, 2021	Quarter ended November 30, 2020	Quarter ended August 31, 2020	Quarter ended May 31, 2020	Quarter ended February 28, 2020	Incorporation to November 30, 2019
Net loss	(43,324)	(29,128)	(47,633)	(172,503)	(12,701)	(16,122)	nil
Basic and diluted loss per share	(0.00)	(0.00)	(0.00)	(0.02)	(0.00)	(0.01)	(0.00)

Financial Performance

For the three months ended May 31, 2021

Net losses for the three months ended May 31, 2021 were \$43,324 (2020 - \$12,701);

The increase in net losses for the period was largely attributable to additional legal and accounting fees in preparation for the IPO completed on June 17, 2021.

For the nine months ended May 31, 2021 compared though previous reporting period from November 28, 2019 (incorporation) to May 31, 2021

Net losses for the nine months were \$120,085 (2020 - \$201,326)

The increase was directly related to the level of activity of the Company in its start-up phase and is primarily attributable to audit and accounting fees of \$22,918.

As the company prepared to offer shares in the province of Québec, \$10,511 was incurred in translation of its offering documents.

Legal fees increased substantially to \$19,019 (2020 - \$385) as a result of costs incurred in the course of filing statements and offering documents associated with IPO process.

Management fees increased from \$18,000 to \$27,000 due to the comparative terms included in the period.

Share based compensation of \$28,000 (2020 - \$147,000) was new in the period to as the Company issued 750,000 compensatory stock options to directors and officers and issued pursuant to the stock option plan adopted on November 02, 2020. During the period ended August 31, 2020, the Company issued 3,000,000 common shares to directors and officers of the Company for proceeds of \$3,000. The shares were estimated to have fair value of \$150,000. The difference of \$147,000 was recorded as share-based payments for the period ended August 31, 2020.

Cash Flows

In the three and nine months ended May 31, 2021 net cash consumed in operating of \$39,980 and \$92,829 and a further \$22,161 and \$22,161 respectively was invested in the mineral property evaluation. There was no financing activity in the period, but subsequently on June 18, 2021 gross proceed of \$1,035,000 were raised via the IPO.

Liquidity and Capital Resources

Total shareholders' equity as of May 31, 2021 was \$174,790 (August 31, 2020 – 266,875)

The Company had a working capital deficit \$76,661 as at May 31, 2021 compared to a surplus of \$73,493 as at August 31, 2020. The proceeds of the June 2021 IPO provided the cash necessary to cover the deficit and afford the working capital requisite for further exploration planned in Ontario and Nevada.

The Company will need to raise additional funds through the issuance of shares. While the Company has been successful in raising funds in the past, there can be no assurance that the Company will be able to raise sufficient funds in the future, in which case the Company may be unable to meet obligations in the normal course of business. These factors may cast significant doubt regarding the Company's ability to continue as a going concern. Should the Company be unable to discharge liabilities in the normal course of business, the net realizable value of the Company's assets may be materially less than amounts on the statement of financial position.

COMMITMENTS AND CONTINGENCIES

The Company is committed to certain cash payments under the mineral property option agreement as described above as described above.

On August 1, 2021 the company executed a consulting services agreement with the new CEO Luis Martins. The agreement is for an initial two-year term with the base fee of \$10,000 USD per month. Thereafter increasing to USD 12,500 per month. In addition the CEO will be entitled to stock options and reimbursement of reasonable out-of-pocket expenses. The contract will automatically renew for a further 24 months unless 60 days prior notice is provided prior to the end of term. The CEO may terminate for any reason upon 30 days notice. In the company may terminate on 30 days notice and upon payment of 12 month severance. In the event of a change in control the CEO will be entitled to the equivalent of 12 months base fee compensation.

The Company has a contract with Robert Coltura VP of administration to provide the services for a fee of \$7,000 Canadian per month, which may be terminated by either party upon 30 days notice.

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 individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

The Company had incurred the following key management personnel cost from related parties:

	Three months ended May 31, 2021	Nine months ended May 31, 2021	Year ended August 31, 2020
Management fees	9,000	27,000	27,000
Professional fees	-	13,418	6,200
Rent	2,250	6,750	6,750
Share-based payments	-	27,000	147,000

Key management includes directors and key officers of the Company, including the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"). During the period ended August 31, 2020, the Company issued 3,000,000 common shares to directors and officers of the Company for proceeds of \$3,000. The shares were estimated to have fair value of \$150,000. The difference of \$147,000 was recorded as share-based payments for the period ended August 31, 2020.

During the nine months ended May 31, 2021, the company issued 750,000 stock options to directors and officers of the Company and recorded a related \$28,000 as share-based payments for the period ended May 31, 2021.

During the three and nine months ended May 31, 2021, the Company paid management fees of \$9,000 and \$27,000 and rent of \$2,250 and \$6,750 to a company controlled by the CEO and director of the Company. During the same period, the Company incurred \$6,716 and \$13,418 in accounting fees to a company controlled by the CFO and director of the Company. As at May 31, 2021, accounts payable and accrued liabilities included \$5,000 owing to the CFO.

Discussion on the amounts can be ascertained in the general discussion of the company's financial performance.

OFF-BALANCE SHEET ARRANGEMENTS

There were no off-balance sheet arrangements for the three months ended May 31, 2021.

IPO TRANSACTION

On June 17, 2021 the Company completed an initial public offering ("IPO") and subsequently on June 21, 2021, the shares of the Company commenced trading on the TSX Venture Exchange

Led by Leede Jones Gable Inc., the Company issued 6,900,000 common shares for aggregate proceeds of \$1,035,000, each at \$0.15 per common share. The company incurred a cash agent's commission of \$103,500, representing 10% of the gross proceeds and granted 690,000 agent's warrants with an exercise price of \$0.15 per warrant.

Other expenses related to the IPO include a \$33,705 corporate finance fee and \$29,517 in legal fees, due diligence expenses, and various sundry expenses.

The IPO returned net proceeds of \$905,677.

SHARE CAPITAL

As at May 31, 2021 the company had 8,177,501 (2020 -8,177,501) shares outstanding. Details on the share capital transactions can be found in Note 6 of the interim financial statements.

Following the financial statement's period end date; On June 17, 2021 the company issued 6,900,000 common shares pursuant to an IPO at a price of \$0.15 per share for gross proceeds of \$1,035,000. The company recorded share issuance costs of \$355,249. Included in the share issuance costs is a fair value of 690,000 for warrants issued. The Company recognized a fair value of \$74,804 for warrants issued.

As a result, as at publishing date the Company 15,077,051 of which 4,050,001 shares were held in escrow and subject to a release schedule detailed in the company's financial statements for the period ended August 31, 2021.

CRITICAL ACCOUNTING ESTIMATES

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Significant accounting estimates

- i. the measurement of deferred income tax assets and liabilities; and
- ii. the inputs used in accounting for share-based payments.

The value of the deferred income tax assets and liabilities are subject to fluctuations as a result changing income tax rates.

ADOPTION OF NEW ACCOUNTING STANDARDS, INTERPRETATIONS AND AMENDMENTS

The Company has performed an assessment of new standards issued by the IASB that are not yet effective. The Company has assessed that the impact of adopting these accounting standards on its financial statements would not be significant.

Dilution

The Company does not generate any revenues from production and may not have sufficient financial resources to undertake by itself all of its planned exploration programs. The Company has limited financial resources and has financed its operations primarily through the sale of common shares. The Company assesses various options for financing; however, the Company may need to continue its reliance on the sale of securities for future financing, resulting in potential dilution to the Company's existing shareholders. The amount of additional funds required will depend largely on the success of the Company's exploration programs.

Further exploration programs will depend on the Company's ability to obtain additional financing which may not be available under favorable terms, if at all. If adequate financing is not available, the Company may not be able to commence or continue with its exploration and development programs or to meet minimum expenditure requirements to prevent the full or partial loss of its mineral properties.

No Known Mineral Reserves

The Company's mineral properties are in the exploration stage and it is without known mineral reserves. Although the Company may discover mineral reserves through its exploration programs, commercial production may not be warranted due to insufficient quantities or unfavourable economic conditions.

In the event a mineral reserve is discovered, substantial expenditures are required to develop the mineral reserve for production including facilities for mining, processing, infrastructure and transportation. The marketability of any minerals discovered may be affected by numerous factors which are beyond the Company's control and which cannot be accurately predicted, such as global economic conditions, mineral markets and mineral pricing, global smelting and refining availability, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection. Depending on the price of minerals produced, the Company may determine that it is not warranted to commence or continue commercial production.

Key Personnel

The Company is dependent on a relatively small number of key personnel, the loss of any of whom could have an adverse effect on the operations of the Company. The Company's success is dependent to a great degree on its ability to attract and retain qualified management personnel. The loss of such key personnel, through incapacity or otherwise, may require the Company to seek and retain other qualified personnel and could compromise the pace and success of its exploration activities. The Company does not maintain key person insurance in the event of a loss of any such key personnel. Also, certain management personnel of the Company are officers and/or directors of other publicly-traded companies and may devote only part of their time to the Company.

Additionally, the Company has relied on and is expected to continue relying upon consultants and others for exploration and development expertise.

Industry Operating Hazards and Risks

Mineral exploration and development involve many risks, including location of commercially productive mineral resources or reserves, which may not occur even with a combination of experience, knowledge and careful evaluation. The operations in which the Company has a direct or indirect interest may be subject to some or all of the hazards and risks normally incidental to resource companies, any of which could result in work stoppages. Fires, power outages, labour disruptions, flooding, explosions, cave-ins, landslides social disruptions, and the inability to obtain suitable or adequate machinery, equipment or labour are some

of the industry operating risks involved in the development and operation of mines and the conduct of exploration programs. Other risks include injury or loss of life, severe damage to or destruction of property, clean-up responsibilities, regulatory investigation and penalties and suspension of operations. The occurrence of any of these operating risks and hazards may have an adverse effect on the Company's financial condition and operations and may incur legal liability.

Although the Company will, when appropriate, secure liability insurance in an amount which it considers appropriate, the nature of these risks is such that liabilities might exceed policy limits, the liability and hazards might not be insurable, or the Company might elect not to insure itself against such liabilities due to high premium costs or other reasons, in which event the Company could incur significant costs that may have a material adverse effect upon its financial condition and operations.

Government Regulations and Political Climate

Mineral exploration on the Company's properties are affected to varying degrees by: (i) government regulations relating to such matters as environmental protection, health, safety and labour; (ii) mining law reform; (iii) tax laws (iv) restrictions on production, price controls, and tax increases; (v) maintenance of claims; (vi) tenure; and (vii) expropriation of property through nationalization, requisition or confiscation. Any mineral exploration activities conducted by the Company, including commencement of production, require permits from governmental authorities and such operations are and will be governed by laws and regulations governing prospecting, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters.

Companies engaged in the development and operation of mines and related facilities generally experience increased costs, and delays in development and/or production and other schedules as a result of the need to comply with applicable laws, regulations and permits. All permits required for the conduct of exploration, development and mining operations, including the construction of mining facilities, may not be obtainable by the Company on reasonable terms, which would have an adverse effect on any mining project the Company might undertake. Additionally, failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining exploration, development or operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

To the best of the Company's knowledge, the Company is and will continue to operate in compliance with applicable legal and environmental regulations and social requirements. However, amendments to current governmental laws and regulations affecting mining companies, or the more stringent application thereof, or shifts in political conditions or attitudes could adversely affect the Company's operations including the potential to curtail or cease exploration programs or to preclude entirely the economic viability of a mineral property. The extent of future changes to governmental laws and regulations cannot be predicted or quantified, but it should be assumed that such laws and regulations will become more stringent in the future. Generally, new laws and regulations will result in increased compliance costs, including costs and time and effort for obtaining permits, and increased delays or fines resulting from loss of permits or failure to comply with the new requirements.

DISCLOSURES

This MD&A supports information disclosed in the Company's financial statements. More information regarding the Company's mineral right interests can be found under Note 4 of the Company's financial statements for the current reporting period.

Internal Controls Over Financial Reporting ("ICFR")

There were no changes in the Company's internal control over financial reporting during the period from November 28, 2019 (date of incorporation) to May 31, 2021 that have materially affected, or are reasonably likely to affect, the Company's internal control over financial reporting.

Impact of COVID-19

The outbreak of the Coronavirus Disease 2019, or COVID-19, has spread across the globe and is impacting worldwide economic activity. This global pandemic poses the risk that the Company or its clients, employees, contractors, suppliers, and other partners may be unable to conduct regular business activities for an indefinite period of time. At this point, the impact on the Company has been minimal. The Company continues to monitor the situation and is taking all necessary precautions in order to follow rules and best practices as set out by the federal and provincial governments.