



**STUHINI EXPLORATION LTD.  
MANAGEMENT DISCUSSION AND  
ANALYSIS FOR  
THE SIX MONTHS ENDED  
AUGUST 31, 2021**

## INTRODUCTION

The following Management Discussion and Analysis (“MD&A”) of Stuhini Exploration Ltd. (the “Company” or “Stuhini”), has been prepared by management, in accordance with the requirements of National Instrument 51-102 *Continuous Disclosure Obligations*, as of October 29, 2021, and should be read in conjunction with unaudited condensed interim financial statements for the three and six months ended August 31, 2021, and the related notes contained therein which have been prepared under International Financial Reporting Standards (“IFRS”). The information contained herein is not a substitute for detailed investigation or analysis on any particular issue.

All financial information in this MD&A has been prepared in accordance with IFRS and all dollar amounts are quoted in Canadian dollars, the reporting and functional currency of the Company, unless specifically noted.

## FORWARD-LOOKING STATEMENTS

This MD&A contains certain forward-looking statements and information relating to the Company that are based on the beliefs of the Company’s management as well as assumptions made by and information currently available to the management. When used in this document, the words “*anticipate*”, “*believe*”, “*estimate*”, “*expect*” and similar expressions, as they relate to the Company or its management, are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to, among other things, regulatory compliance, the sufficiency of current working capital, and the estimated cost and availability of funding for the continued exploration and development of the Company’s exploration properties. Such statements reflect the current views of management with respect to future events and are subject to certain risks, uncertainties, and assumptions. Many factors could cause the actual results, performance, or the Company’s achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

### Risks related to the continued expansion of the COVID-19 pandemic

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which continues as a pandemic, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, leading to an economic downturn. Up to this point, the impact of COVID-19 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 and continues to adjust its exploration program and operations in compliance with such practices.

## COMPANY OVERVIEW

### Background

Stuhini is a Canadian mineral exploration company based in Vancouver, British Columbia (“BC”) and incorporated on July 7, 2017, under the Business Corporations Act (BC). The Company’s head office and registered records office is located at 1245 West Broadway, Unit 105, Vancouver, BC V6H 1G7. Effective May 23, 2019, the Company’s common shares (“Common Shares”) began trading on the TSX Venture Exchange (the “Exchange” or “TSX-V”) under the symbol “STU”.

The Company is engaged in the acquisition, exploration, and development of mineral properties and, as of the date of this MD&A, holds options on two road accessible mineral properties: an option to acquire a 100% interest in the Ruby Creek Property located in northwestern BC approximately 20 kilometres (“km”) east of the town of Atlin, and an option to acquire a 100% interest in the Que Property located approximately 70 km north of Johnson’s Crossing in southcentral Yukon. In addition, in May of 2021, the Company acquired through staking seven mineral exploration licenses (“MEL”) approximately 35 km northwest of Grand Rapids, Manitoba. In July of 2021, the Company purchased two additional properties. The Island Property was acquired from Brixton Metals Corporation (TSXV: BBB) (“Brixton”) for \$60,000 cash and is roughly 1,277 hectares in size. The Island Property is located near Atlin, BC and is contiguous with the south-central border of the Company’s Ruby Creek Property. The Big Ledge Property is located in southeastern BC, roughly 57 km south of the city of Revelstoke, and was acquired from a director of the

Company for nominal consideration and is roughly 5,094 hectares in size. The Company does not have any assets or mineral properties that are in production.

### **Key Events for the Quarter Ended August 31, 2021, and up to the date of this MD&A**

#### Private Placement Financing

On July 23, 2021, the Company completed its non-brokered private placement which was initially announced on June 17, 2021. The Company issued 2,000,000 common shares that qualify as “flow-through shares” for the purposes of the Income Tax Act (Canada) (“FT Shares”) at a price of \$0.65 per FT Share and 2,000,000 non-flow-through common shares (“NFT Common Shares”) at a price of \$0.50 per NFT Common Share for aggregate gross proceeds to the Company of \$2,300,000 (the “July Offering”).

The Company intends to use the proceeds from the July Offering for exploration programs on the Company’s Ruby Creek, Que, Big Ledge and South Thompson Projects, as well as for general working capital purposes. The gross proceeds from the sale of the FT Shares will be used to incur “Canadian exploration expenses” which qualify as “flow-through mining expenditures” (within the meaning of the Income Tax Act (Canada) (“Qualifying Expenditures”) to fund exploration programs on the Company’s Ruby Creek and Big Ledge Projects, both of which are located in BC. The Company will renounce these expenses to the purchasers of FT Shares with an effective date of no later than December 31, 2021. The FT Shares and the NFT Common Shares are subject to a hold period that expires on November 24, 2021.

Mr. Eric Sprott through 2176423 Ontario Ltd., a corporation that is beneficially owned by him, acquired 500,000 NFT Common Shares in the July Offering for total consideration of \$250,000. Prior to the closing of the July Offering, Mr. Sprott beneficially owned or controlled 2,300,000 Common Shares. Subsequent to the July Offering, Mr. Sprott beneficially owns and controls 2,800,000 Common Shares representing approximately 11.61% of the outstanding Common Shares.

Certain directors, officers, and other insiders of the Company, including the participation of Mr. Sprott, purchased, or acquired direction and control over a total of 540,000 NFT Common Shares and 292,000 FT Shares under the July Offering. The Company paid a total of \$28,995 in finders’ fees associated with the July Offering and recognized further \$45,604 incurred in legal and regulatory fees as part of transaction costs.

#### Additional Property Acquisitions

In July of 2021 the Company purchased two additional properties, the Island Property, for \$60,000 from Brixton Metals Corporation (“Brixton”) located adjacent to the Ruby Creek Property, and the Big Ledge Property near Revelstoke BC, which was purchased from a director of the Company for a nominal \$10 fee. The Island Property was added to the Company’s current Ruby Creek Property, which increased the size of the Ruby Creek Property to 55 claims totalling roughly 28,631 hectares. The Big Ledge Property is located in southeastern BC roughly 57 km south of the city of Revelstoke and is approximately 5,094 hectares in size.

#### Appointment of a New Member of Advisory Board

On August 6, 2021, the Company’s board of directors appointed Dr. Stewart A. Jackson, P.Geo. to the Advisory Board. Dr. Jackson holds a B.Sc. in Geology from the University of Western Ontario (now Western University), an M.Sc. in Stratigraphy and Mineral Deposits from the University of Toronto, and a Ph.D. in Stratigraphy and Economic Geology from the University of Alberta. He is a specialist in carbonate-hosted mineral deposits and limestone sedimentology. Dr. Jackson brings decades of experience having been involved in the discovery, acquisition, and exploration of multiple precious and base metals deposits.

In connection with Dr. Jackson’s appointment to the Advisory Board, the Company granted him an option to purchase up to 100,000 Common Shares of the Company at \$0.60 per share expiring on August 6, 2023. The option vests

quarterly over a 12-month period in equal amounts starting on November 6, 2021 and is subject to the terms of the Company's Stock Option Plan and TSX-V approval.

#### Investor Relations Services

On May 23, 2021, the Company extended an investor relations contract (the "IR Contract") with Natrinova Capital Inc. ("Natrinova") to May 23, 2022, with successive one-year renewals thereafter by mutual agreement. Under the IR Contract, Natrinova provides a suite of investor relations services to the Company for a monthly fee of \$3,000 (subject to adjustment depending on actual provision of services) and such additional à la carte services that may be requested by the Company from time to time. In connection with the IR Contract extension, the Company agreed to grant Natrinova an additional option to purchase up to 100,000 Common Shares at \$0.60 per share expiring on May 23, 2023. This option is in addition to the option to acquire up to 100,000 Common Shares at \$0.60 per share the Company agreed to grant on February 23, 2021, when it entered into an initial IR Contract with Natrinova. Both options vest quarterly over a 12-month period in equal amounts, from the dates the Company committed to granting each option and are subject to the terms of the Company's Stock Option Plan and TSX-V approval.

#### Additional Stock Option Grants

On August 6, 2021, the Company granted to its directors, officers, and consultants, options to purchase an aggregate of 445,000 Common Shares at \$0.60 per share until February 6, 2024. The options vest quarterly over a 12-month period in equal amounts starting on November 6, 2021, and are subject to the terms of the Company's Stock Option Plan and TSX-V approval.

#### Debt Settlement

On September 20, 2021, the Company agreed to convert \$23,000 the Company owed to a company wholly owned by its Vice-President Exploration, Ehsan Salmabadi (the "Debt"), into 48,936 Common Shares (the "Debt Shares"). The Debt Shares are being issued at a deemed price of \$0.47 per share, in accordance with the policies of the TSX Venture Exchange (the "TSX-V"). The issuance of the Debt Shares was subject to the approval of the TSX-V, which was received on October 13, 2021, and therefore the Debt Shares were issued on October 25, 2021.

#### Exploration Activities

During the summer and fall of 2021, the Company carried out a ground program on selected targets on its Ruby Creek Property which yielded the following results:

- Additional mineralized structures were identified in the Silver Surprise area with similar textures and mineralogy as the original discovery where 2020 sampling yielded silver ("Ag") assays of 391 grams per ton ("g/t") up to 14,179 g/t (2021 assays pending).
- Contour soil sampling in the Silver Surprise area with 57 samples collected (assays pending).
- Multiple mineralized structures were identified in the Daybreak area, 3 km southwest of Silver Surprise, where 2020 sampling yielded assays of 772 g/t Ag (2021 assays pending).
- Grid soil sampling program was completed over the Birch Creek, Boulder Creek and Lakeview area with over 2,200 samples collected (2021 assays pending).
- Completed soil gas hydrocarbon (SGH) sampling in Ruby Creek, resulting in 166 samples, covering the area between historic gold-bearing drill holes AD-390 and AD-393 (76.2 metres ("m") of 0.15 g/t gold ("Au") and 0.42 g/t Ag and 73.2 m of 0.21 g/t Au and 0.28 g/t Ag, respectively).
- 0.96 square km of 3D Induced Polarization Geophysics (3D IP) encompassing the identified silver bearing Adera Structure, the southwestern portion of the historic Ruby Creek molybdenum ("Mo") deposit and 400 m southwest of the current resource where historic drilling has not closed off the deposit (e.g. AD-417 drilled

in 2008 assayed 0.052 % Mo over 76.2 m starting at the top of bedrock, and 45 m of 0.23% Mo to the end of hole from 355 m to 400 m).

As at the date of this MD&A the Company is awaiting results of assays from the samples collected as a result of the summer program.

### EXPLORATION PROPERTIES

As of the date of this MD&A the Company's interests in exploration and evaluation assets consist of the following:

- an option to acquire a 100% interest in the Ruby Creek Property;
- an option to acquire a 100% interest in the Que Property;
- a 100% interest in the South Thompson Property;
- a 100% interest in the Island Property (which was added to the Ruby Creek Property); and
- a 100% interest in the Big Ledge Property.

### RUBY CREEK PROPERTY

On July 30, 2019, the Company entered into an option agreement with Global Drilling Solutions Inc. (“Global Drilling”) (the “Ruby Creek Option Agreement”) whereby the Company was granted a right to acquire a 100% interest in the Ruby Creek Property (the “Ruby Creek Option”). The Ruby Creek Option Agreement was conditional on approval by the disinterested shareholders of the Company, which was received at the November 28, 2019, annual general meeting, and acceptance for filing of the Ruby Creek Option Agreement by the Exchange, which was received on December 31, 2019.

Based on the Ruby Creek Option Agreement, to fully exercise its Ruby Creek Option, the Company is required to issue a total of 7,300,000 Common Shares and make cash payments of \$1,060,000 over a four-year term. The following table shows the continuity of the Ruby Creek Option payments:

Date	Shares	Cash Payment
December 31, 2019 (shares issued)	800,000	\$ -
December 31, 2020 (shares issued)	1,250,000	-
December 31, 2021	1,750,000	120,000
December 31, 2022	1,750,000	300,000
December 31, 2023	1,750,000	640,000
<b>Total</b>	<b>7,300,000</b>	<b>\$ 1,060,000</b>

Upon exercise of the Ruby Creek Option, Global Drilling would be entitled to a 1% NSR on the portions of the Ruby Creek Property originally optioned by Global Drilling to the Company.

On July 14 2021, the Company entered into a purchase and sale agreement with Brixton, whereby the Company acquired an additional five (5) mineral claims (the “Island Property”) contiguous with the Ruby Creek Property. The Company paid \$60,000 cash to acquire the Island Property, no additional fees or work requirements are payable under the acquisition agreement with Brixton other than a 1% NSR reserved by Brixton as well as an additional 1% NSR to other arms-length parties from whom Brixton originally acquired these claims. The Island Property claims therefore have a cumulative 2% NSR. The Island Property added approximately 1,277 hectares to the Ruby Creek Property increasing the size of the Ruby Creek Property to 55 claims totalling roughly 28,631 hectares.

### Ruby Creek Property Acquisition and Exploration Costs

	August 31, 2021	February 28, 2021
Balance, beginning of period	\$ 1,682,065	\$ 259,195
Option payments	-	512,500
Acquisition payment	60,000	-
Mineral tenure/lease payments	49,300	53,908
Sub-total, acquisition costs	109,300	566,408

	August 31, 2021	February 28, 2021
Deferred exploration expenditures		
Assaying	54,251	100,933
Camp and travel	159,978	67,685
Equipment use/rental	130,465	154,082
Geology	711,100	535,915
Sub-total, deferred exploration expenditures	1,055,794	858,615
Exploration tax credit	-	(2,153)
Balance, end of period	\$ 2,847,159	\$ 1,682,065

### Property Location and General Description

The Ruby Creek Property is 28,631 hectares in size, is road accessible and located within the Atlin Mining Division, with the western boundary of the project being 14 km from Atlin. The Ruby Creek Property consists of 55 contiguous mineral claims of which one is a mining lease. There are 48 different documented mineral occurrences on the Ruby Creek Property, of which 16 are gold-related, with seven gold placer creeks, six of which were still actively being mined during the summer of 2019<sup>1</sup>. The Company does not own or have an option on the placer rights for these placer streams on the tenures since in BC placer rights are a different tenure than hard rock mineral rights. However, the Company does have the hard rock rights which would be relevant should bedrock lode-gold or other minerals be discovered under the existing placer creeks or elsewhere on the Ruby Creek Property. The Ruby Creek Property also hosts the Ruby Creek Molybdenum resource (also known as the Adanac molybdenum deposit or resource) which, using a 0.04% Mo cut-off grade, has a historic measured and indicated mineral resource of 275.4 million tonnes at 0.067% Mo containing 407.9 million lbs of Mo. The historic Ruby Creek Molybdenum resource estimate was prepared by K. Palmer of Golder Associates in a report dated May 28, 2009, titled Ruby Creek Molybdenum Project in Northern British Columbia, Canada. The resource estimate was established using 338 drill holes with a combined length of approximately 69,200 m and 21,651 assay samples. A Qualified Person as defined in National Instrument 43-101 (“QP”) has not done sufficient work to classify the historical estimate as a current mineral resource or mineral reserve. The Company has not verified the historical resource estimates and therefore is not treating nor relying on the historical estimates as a current mineral resource or mineral reserve. With the continued increase in the price of Mo to recent highs of US\$20.05 per pound<sup>2</sup>, the Company believes that the economic outlook has improved sufficiently for the Company to explore updating the Mo resource to a current resource in accordance with the requirements of National Instrument 43-101 (“NI 43-101”). As of the date of this MD&A, the Company’s management continues to review the possibility of updating the historical resource.

On November 7, 2019, the Company filed a National Instrument 43-101 Technical Report entitled: "Technical Report on the Ruby Creek Property within the Atlin Gold camp British Columbia Canada" (the “Technical Report”). The Technical Report outlined a 2-stage exploration program for the Ruby Creek Property budgeted at \$750,000.

### Exploration Activities

During the 2021 field season, exploration on the Ruby Creek Property consisted of a 1,084 line-km SkyTEM airborne geophysical survey that was flown in the spring of 2021 on key portions of the Ruby Creek Property that were not covered by the 2020 SkyTEM survey. This was followed up by a large-scale exploration program that included property-wide reconnaissance prospecting, sampling, and mapping as well as more focussed exploration on selected targets identified in the historical data compilation and analysis of 2020 field data, completed over the winter of 2021 and the new SkyTEM airborne geophysics survey. In early June 2021 the Company commenced a ground program on selected targets identified on the Ruby Creek Property, which the program was completed at the end of September 2021. The initial exploration occurred at lower elevations and moved to higher ground as the winter snowpack melted. A total of 540 rock samples and 2,508 soil samples were collected over the field season, and a 0.96 square km 3D Induced Polarization was conducted.

<sup>1</sup> The documented mineral occurrences refer to the Ruby Creek Property as it was initially acquired from Global Drilling, and does not include information for the recently acquired Island Claims.

<sup>2</sup> Prices are taken from daily closing price website of the London Metals Exchange (“LME”) for LME Molybdenum (Platts), for Contracts Month 2 and out. While the Company’s management believes these prices are reliable, the management takes no responsibility for the accuracy of the price.

As of the date of this MD&A, the Company is awaiting results of assays from the samples collected as a result of the summer program.

The Ruby Creek Property has been divided into different targets, and the various targets are summarized below, starting with the areas that were worked on first. Note that rock grab samples are selective by nature, and values reported may not represent the true grade or style of mineralization.

**Adera Corridor:** In 2020, multiple high-grade silver/lead showings were identified along a 7.5 km-long trend that consists of a series of NE-SW striking structures and splays that coincide with the contact of the Surprise Lake batholith (“SLB”) and the Fourth of July batholith. The mineralized trend is referred to as the “Adera Corridor.” The Corridor includes the past-producing Brenda silver-lead-zinc mine, the AI showing and the Adanac historic drill hole AD-408, which had a 6.10 m intersection greater than the detection limit of 200 g/t silver.

The 2021 exploration work consisted of 0.96 square km of 3D IP encompassing silver-bearing Adera Structure. The 3D IP survey also covered the southwestern portion of the historic Ruby Creek Mo deposit and 400 m beyond the southwest limits of the deposit where historic drilling has not closed off the deposit (e.g. AD-417 drilled in 2008 assayed 0.052 % Mo over 76.2 m starting at the top of bedrock, and 45 m of 0.23% Mo to the end of hole from 355 m to 400 m).

**Silver Surprise and Daybreak:** The target area is approximately 5 km northeast and on-trend with the recently expanded Adera Corridor silver target and 3 km north of the Daybreak target. During its 2020 exploration program, the Company discovered a high-grade silver-bearing structure yielding Ag assays of 391 g/t up to 14,179 g/t. Follow-up prospecting and mapping in 2021 identified additional mineralized structures with similar textures and mineralogy as the original 2020 discovery (2021 assays pending). Multiple mineralized structures were also identified in the Daybreak area, where 2020 sampling yielded assays of 772 g/t Ag (2021 assays pending).

**Southwest Property Targets: Birch Creek, Boulder Creek, and Lakeview:** The southwest portion of the Property includes the Birch, Boulder and Lakeview targets. Both Birch and Boulder Creek were important placer creeks in the Atlin area, with Boulder Creek being the third-largest placergold producer in the area.

The historic showings include Lakeview and Little Edna. Mineralization consists of gold-bearing quartz veins hosted in intermediate to mafic volcanic rocks of the Cache Creek Complex. The target area has not received any significant exploration since 1987. Samples in the 2020 program assayed as high as 34.08 g/t Au and 494 g/t Ag.

During the 2021 field season, a grid soil sampling program was completed over the Birch Creek, Boulder Creek and Lakeview area with over 2,342 samples collected and detailed mapping and prospecting (2021 assays pending).

**Ruby Creek Gold Target:** The Ruby Creek Gold target area begins approximately half a km east of the historic Adanac molybdenum resource and extends into upper Ruby Creek. Ruby Creek was the fourth-highest gold-producing creek in the Atlin Placer Camp.

Mineralization consists of gold, silver, lead, copper and tungsten in quartz veins, quartz vein stockwork, and breccias hosted within the SLB. Assays of up to 10 g/t Au were returned from the 2020 program. The target area also encloses two historic diamond drill holes from 2008. The two holes were part of the condemnation drilling for the proposed Adanac open-pit molybdenum mine. The holes are more than 950 m apart and intersected 76.2 m averaging 0.15 g/t Au and 73.2 m averaging 0.21 g/t Au respectively, including a 3 m sample assaying 0.6 g/t Au. Both holes were drilled within the SLB. During the 2021 field season, 166 soil gas hydrocarbon (SGH) samples were taken in Ruby Creek valley, covering the area between historic gold-bearing drill holes AD-390 and AD-393, as well as additional prospecting in the target area.

#### Condemnation Drill Holes with Anomalous Gold Values (Adanac 2008)

Drill Hole ID	From (m)	To (m)	Interval (m)	Au (ppm)	Ag (ppm)
AD-390	22.9	99.1	76.2	<b>0.15</b>	<b>0.42</b>
Including	53.3	74.7	21.3	<b>0.21</b>	<b>0.11</b>
AD-393	<b>184.4</b>	<b>257.6</b>	<b>73.2</b>	<b>0.21</b>	<b>0.28</b>

**Silver Diamond:** The Silver Diamond is a skarn target located on the west side of Boulder Creek, near the headwaters of the Boulder Creek drainage.

2021 exploration work on the Silver Diamond Skarn was limited to following up on gold-bearing skarn horizon with 10 m west of 22 m channel sample taken in 2020 that assayed 34 g/t Ag, 0.27 % copper (“Cu”), 1.88 % zinc (“Zn”), 0.17 % tungsten oxide (“WO<sub>3</sub>”) and included 3.5 m of 116.8 g/t Ag, 11.55% Zn, 0.28% Cu and 0.11% lead (“Pb”). This additional gold-bearing skarn mineralization was identified with grab samples in 2020 assaying up to 1.22 g/t Au, 0.46% Cu, 64.1 g/t Ag and 0.25% WO<sub>3</sub>. Results from the 2021 field season are still pending.

**Ruffner Target:** The Ruffner area is located in the northwestern portion of the tenures immediately east and south of the past-producing Atlin Ruffner silver mine. The mine is situated on crown grants not held by the Company.

The Atlin Ruffner silver mine was an intermittent producer from 1916 to 1981, with an average grade of 0.42 g/t gold, 267 g/t silver and 5% combined lead-zinc. Historic unclassified reserves from the two zones from which underground development and production took place are 113,638 tonnes grading 600 g/t silver and 5.0 % lead (MINFILE No. 104N 011 - assessment report 18646 dated July 1985). These are historical estimates for which a QP has not done sufficient work to classify as current mineral resources or mineral reserves. Mineralization from the historic Ruffner Silver Mine and the surrounding showings is composed of quartz-carbonate veins with galena, sphalerite, arsenopyrite and lesser pyrite and chalcopyrite. These mineralized structures are often associated with mafic dykes hosted within granodiorite and diorite of the Fourth of July Batholith.

The 2021 exploration program followed up on the Atlin Ruffner style mineralization encountered in 2020, focusing on the Wheelbarrow zone. As a result of time and human resources limitations, the area received limited work in 2021 with only minor amounts of prospecting and detailed mapping around the Wheelbarrow showing (2021 assays pending).

#### Ruby Creek Property Commitments

The Ruby Creek Property consists of 54 mineral claims (excluding the mineral lease that comprises part of the Ruby Creek Property) which were staked at different times resulting in different work commitments for each claim. As of the date of the filing of this MD&A, the mineral claims that comprise the Ruby Creek Property are in good standing. Based on the date the claims were staked and their respective sizes, the total annual work commitment for Ruby Creek Property is approximately \$332,924. Based on the most recent assessment reports filed with the BC Ministry of Mines, the Project good-till date has been extended to Oct 31, 2023.

In addition to the work commitments required on the mineral claims, the mineral lease associated with the historical molybdenum deposit is included as part of the Ruby Creek Property and is subject to an annual flat fee lease payment of \$49,300 with no work requirement, which the Company paid in March of 2021, renewing the lease until March 27, 2022.

#### QUE PROPERTY

On February 17, 2020, the Company entered into an option agreement (the “Que Option Agreement”) with arms-length vendors, whereby the Company was granted the right to acquire a 100% interest in the Que Property (the “Que Option”) located in south-central Yukon. The Que Option Agreement was amended and restated on February 28, 2020 (the “Amended Que Option Agreement”), with the vendors, Nokuyukon Holdings Ltd., Mark Lindsay, Glacier Drilling Ltd., Mike Mickey, and Joanne MacDougall (jointly, the “Que Vendors”), and was conditional on acceptance for filing by the Exchange, which was received on April 1, 2020 (the “Que Approval Date”).

Based on the Amended Que Option Agreement, to fully exercise its Que Option, the Company was required to issue a total of 2,950,000 Common Shares and make cash payments for a total of \$380,000 over a four-year term to the Que Vendors. Upon receipt of assays showing no significant mineralization in a shallow early stage 2-hole drill program, the Company commenced renegotiating the Amended Que Option Agreement. The further amended and restated option agreement (“Que Amendment 2”) was announced on October 26, 2020. The table below compares the initial Amended Que Option Agreement schedule of the Option payments and the renegotiated terms under the Que Amendment 2:

Date	Amended Que Option Agreement		Que Amendment 2	
	Common Shares	Cash Payment	Common Shares	Cash Payment
Que Approval Date (shares issued)	200,000	\$ -	200,000	\$ -
1st Anniversary of Approval (shares issued) <sup>(1)</sup>	300,000	-	50,000	-
2nd Anniversary of Approval	450,000	-	75,000	-
3rd Anniversary of Approval	500,000	140,000	112,500	-
4th Anniversary of Approval	1,500,000	240,000	125,000	35,000
5th Anniversary of Approval	-	-	375,000	60,000
<b>Total</b>	<b>2,950,000</b>	<b>\$ 380,000</b>	<b>937,500</b>	<b>\$ 95,000</b>

(1) On June 22, 2021, the Company entered into the 3<sup>rd</sup> Que Option Amendment, extending the Option payment due on the 1<sup>st</sup> Anniversary of Approval, being issuance of 50,000 Common Shares, to June 22, 2021, on mutual agreement of the parties to the Que Option Agreement. In addition, the 3<sup>rd</sup> Que Option Amendment specified all option payments as well as the NSR to be apportioned to the Que Vendors as to 80% to Mr. Lindsay and 20% to Ms. MacDougall.

Upon exercise of the Que Option (as amended), the Que Vendors would jointly be entitled to a 1% NSR on the Que Property.

### Que Property Acquisition and Exploration Costs

	August 31, 2021	February 28, 2021
Balance, beginning of period	\$ 215,703	\$ -
Option payments	29,000	28,000
Professional fees	-	6,165
Sub-total, acquisition costs	29,000	34,165
Deferred exploration expenditures		
Assaying	-	16,555
Camp and travel	-	3,013
Drilling	-	47,000
Equipment use/rental	-	1,470
Geology	93	113,500
Sub-total, deferred exploration expenditures	93	181,538
Balance, end of period	\$ 244,796	\$ 215,703

### Property Location and General Description

The Que Property is road accessible and located just off the Canol Road, Yukon Highway #6, 70 km north of Johnson’s Crossing which is located on the Alaska Highway. The Que Property consists of 108 mineral claims and is 2,246 hectares in size. During the fiscal 2021 year, the Company staked an additional 96 claims (1,996 hectares) bringing the entire claims package to 204 claims, approximately 4,243 hectares.

The Que Property was first staked in the mid 1960’s after the discovery of several large rusty, intensely gossanous zones. The Que Property has been privately held by the Que Vendors since that time. Small-scale exploration

programs have been conducted since the original staking during which gold bearing veins and a gold bearing felsic horizon on Kingdome Ridge were discovered. Soil sampling also identified gold anomalies in soil.

In the 2019 field season, the Company's geologists spent an afternoon on the Que Property conducting due diligence, which confirmed the presence of the gossanous kill zones and the occurrence of gold mineralization within quartz veins in outcroppings. A grab sample collected during this visit assayed 11.7 g/t gold.

### Exploration Activities

In May and June 2020, the Company conducted a 425 line-km SkyTEM airborne geophysical program on selected portions of the Que Property. Based on the preliminary findings, the Company carried out an inexpensive shallow 2-hole diamond drill program at its Camp Gossan target on the Que Property. The drill targets were chosen due to road accessibility and based upon geophysical anomalies generated from preliminary data interpretation of the SkyTEM geophysical program. The drill program was completed and the results from Bureau Veritas assay lab in Richmond, BC were received and showed no significant mineralization.

Due to travel and work restrictions associated with COVID-19 pandemic, the Company deferred its 2021 exploration plans on the Que Property.

### Que Property Commitments

In the Yukon, quartz (hard-rock) claims must be maintained in good standing with the Department of Energy, Mines and Resources. Quartz claims expire one year after the recording date. To keep a claim in good standing, the Company is required to carry out an assessment work (also known as "representation work") for a minimum of \$100 per claim. The assessment work must be applied to the quartz claim in the year it is completed by filing the assessment work report before the claim's anniversary of the recording date. In case where the assessment work will result in more than \$100 spent, the remaining value can be applied to the future years (not to exceed five years). If the representation work on a claim is not done, the Company can choose to pay a fee of \$105 per claim instead.

The Que Property consists of 204 mineral claims which were staked at different times resulting in different expiry dates for some claims. The total annual work commitment for the Que Property is approximately \$20,400.

Based upon the exploration funds spent on the SkyTEM airborne geophysical survey and the early stage small-scale drill program conducted on the Que Property during the summer 2020 program, the Company has filed an assessment report with the Yukon Mines Ministry and has received confirmation that the next renewal date for all claims comprising the Que Property has been extended to March 7, 2026.

### SOUTH THOMPSON PROPERTY

On May 27, 2021, the Company announced that it acquired through staking seven MEL covering 47,509 hectares along the southern extent of the Thompson Nickel Belt, approximately 35 km northwest of Grand Rapids, Manitoba.

### South Thompson Property Acquisition and Exploration Costs

	<b>August 31, 2021</b>
Balance, beginning of period	\$ -
Mineral tenure payments	26,561
Sub-total, acquisition costs	26,561
Deferred exploration expenditures	
Geology	7,868
Sub-total, deferred exploration expenditures	7,868
Balance, end of period	\$ 34,429

## Property Location and General Description

The South Thompson Property is comprised of seven MELs, of which five separate MEL blocks (T1, T2, T3, T4, and T5) cover prospective ground that hosts relatively untested target horizons and covers parts of the Winnipegosis Komatiite Belt.

Sporadic drilling in the 1980s and 1990s encountered anomalous nickel (“Ni”) grades such as 0.37% Ni over 45.7 m, along with 0.52% Ni over 4 m (diamond drill hole GR-1-83, T1 block). Nickel depletion within dunites and komatiites ranging from 167 ppm to 850 ppm Ni over 194 m (diamond drill hole RP91-1A, T5 block) is interpreted to represent nickel dropping out of the magma and settling to form a sulfide body. Furthermore, T2 to T5 blocks have not had any modern deep-penetrating airborne electromagnetic geophysical surveys flown over them and have only been surveyed using older systems from the 1990s. The T1 block has received partial coverage by a VTEM™ survey in 2007. The results of the 2007 survey generated coincident electromagnetic/magnetic anomalies referred to as the TEX 1 target. This target has not been drilled. Previously in 1997, Falconbridge had drilled a single hole (DDH WL97-183), which intersected the southern edge of the TEX 1 electromagnetic anomaly, and encountered 27.85 m of 0.32% Ni starting at a depth of 118.15 m.

During the six-month period ended August 31, 2021, the Company spent \$7,868 in deferred exploration costs associated with the South Thompson Property.

## BIG LEDGE PROPERTY

On July 26, 2021, the Company acquired the Big Ledge Property located in southeastern BC roughly 57 km south of the city of Revelstoke. The Big Ledge Property was acquired from a director to the Company for nominal consideration of \$10. The Big Ledge Property is roughly 5,094 hectares in size. No royalties, finder’s fees or work commitments are associated with this property or the transaction.

### Property General Description

The Big Ledge Property is a stratiform zinc deposit and is road accessible via a forest service road from Highway 23. The mineralization consists of sphalerite, pyrite, pyrrhotite, galena, with lesser chalcopyrite and marcasite hosted in a folded assemblage of marble and quartzite known as the Ledge Unit within the Shuswap metamorphic complex of the Proterozoic Monashee Group. The mineralized zones have been reported up to 18 m in thickness in drilling and have been traced through geophysics and prospecting for distances of over 5 km. The most recent historic samples have assayed up to 4.70% zinc.

### Big Ledge Property Acquisition and Exploration Costs

	<b>August 31, 2021</b>
Balance, beginning of period	\$ -
Acquisition payments	10
Sub-total, acquisition costs	10
Deferred exploration expenditures	
Geology	300
Sub-total, deferred exploration expenditures	300
Balance, end of period	\$ 310

### QA/QC Protocol

Rock material from the 2020/21 exploration program on the Ruby Creek and Que Properties was collected in poly bags and then transported to the Bureau Veritas sample preparation facility located in Whitehorse, Yukon. Samples were crushed, and then pulps were sent to the Bureau Veritas lab in Richmond, BC for assay. Four acid digestion and Ultratrace ICP-MS analysis for 59 elements and fire assay for gold, platinum and palladium were performed on all samples. Over-limit copper, lead, zinc, and silver samples were analyzed by multi-acid digestion and ICP-ES (MA370). Conversion to WO<sub>3</sub> % = W % x 1.2616. All results noted in the MD&A have passed the QA/QC screening by the lab.

## Qualified Person

Andrew L. Wilkins B.Sc., P.Geo., is the Qualified Person as defined by NI 43-101 and has approved all technical information contained herein.

## SELECTED FINANCIAL INFORMATION

	Six months ended August 31, 2021	Year ended February 28, 2021
Net and comprehensive loss	\$ 268,651	\$ 295,920
Loss per share – basic and diluted	\$ 0.01	\$ 0.02
Total assets	\$ 5,719,945	\$ 3,315,578

## RESULTS OF OPERATIONS

During the six-month period ended August 31, 2021, the Company recorded a net loss and comprehensive loss of \$268,651 as compared to net loss and comprehensive loss of \$206,153 for the six-month period ended August 31, 2020.

Increased operating activities, share-based compensation associated with vesting of options to acquire Common Shares the Company granted to its management and consultants during its fiscal 2021 and 2022, advertising and promotional expenses, and consulting fees had the largest contribution to overall increases in the business expenses the Company incurred during the six-month period ended August 31, 2021, as opposed to the comparative period ended August 31, 2020.

The largest expense item that contributed to the net loss was associated with \$190,390 in share-based compensation recognized on vesting of options to acquire Common Shares the Company granted to its management and consultants during its fiscal 2021 and 2022. During the comparative six-month period ended August 31, 2020, the share-based compensation was determined to be \$105,338, resulting in an increase of \$85,052. In addition, the Company incurred \$55,251 in advertising and promotion expenses (including investor relations activities), which increased by \$21,547 from \$33,704 the Company incurred during the six-month period ended August 31, 2020. The increase in advertising and promotion fees was associated with the Company's continued efforts to increase shareholder awareness of its mineral exploration projects and overall operations.

During the six-month period ended August 31, 2021, the Company recorded \$37,976 in consulting fees, a \$16,655 increase as compared to \$21,321 the Company incurred in consulting fees during the six-month period ended August 31, 2020. The Company's office expenses increased by \$10,357 to \$15,410 as compared to \$5,053 incurred during the six-month period ended August 31, 2020. These increases were mainly associated with increased operating activities of the Company.

The above operating expenses were offset by a \$15,421 decrease in project investigation costs, which, for the six-month period ended August 31, 2021, amounted to \$2,402, as opposed to \$17,823, the Company recorded during the six-month period ended August 31, 2020, which were mainly associated with the expenses on the Que Property, prior to receiving an acceptance from the Exchange. The Company's regulatory and filing fees decreased by \$12,435, to \$13,776 as compared to \$26,211 the Company incurred during the six months ended August 31, 2020, and the Company's professional fees associated with legal, audit, and accounting services decreased by \$8,780 to \$18,747, as compared to \$27,527 the Company incurred during the six months ended August 31, 2020.

Other items included a \$90,000 loss (August 31, 2020 - \$Nil) the Company recognized on its equity investment represented by 1,200,000 common shares of Brixton, as the fair market value of Brixton common shares decreased to \$0.17 at August 31, 2021, as compared to \$0.245 on February 28, 2021, and \$155,429 (August 31, 2020 – \$35,000) gain the Company recorded on reversal of flow-through share premium liability. During the six-month period ended August 31, 2020, the Company accrued \$730 associated with Part XII.6 tax payable on flow-through funds the Company used under a look-back rule; the Company did not incur Part XII.6 during the six-month period ended August 31, 2021, as the flow-through funds the Company spent on qualified exploration expenses were not spent under look-back rule.

## SUMMARY OF QUARTERLY RESULTS

Results for the most recently completed financial quarters are summarized in the table below:

<b>Period ended:</b>	<b>Net and comprehensive income/(loss)</b>	<b>Income/(loss) per share; basic and diluted</b>
August 31, 2021	\$ (87,980)	\$ 0.00
May 31, 2021	\$ (180,671)	\$ (0.01)
February 28, 2021	\$ 24,130	\$ 0.00
November 30, 2020	\$ (113,897)	\$ (0.01)
August 31, 2020	\$ (100,946)	\$ (0.01)
May 31, 2020	\$ (105,207)	\$ (0.01)
February 29, 2020	\$ (133,379)	\$ (0.01)
November 30, 2019	\$ (158,531)	\$ (0.01)

During the quarter ended August 31, 2021, the Company recorded a net loss of \$87,980, which was comprised of \$112,557 in share-based compensation associated with vested portion of the options granted to the Company's officers, directors, and consultants to acquire up to 1,370,000 Common Shares (these options were granted during fiscal 2021 and 2022 years); \$23,976 in advertising and promotion expenses mainly associated with the Company's efforts to raise awareness about the Company and its operations; \$14,700 in consulting fees; \$15,747 in professional fees; \$10,184 in office expenses; and \$6,205 in regulatory and filing fees. During the quarter ended August 31, 2021, the Company's net and comprehensive loss was further increased by \$60,000 unrealized loss the Company recognized on revaluation of its investment in Brixton common shares. These expenses were in part offset by \$155,429 gain the Company recognized on reversal of a flow-through premium on the FT Shares issued on July 23, 2021.

During the quarter ended May 31, 2021, the Company recorded a net loss of \$180,671, which was comprised of \$77,833 in share-based compensation associated with vested portion of the options granted to the Company's officers, directors, and consultants to acquire up to 650,000 Common Shares (these options were granted during fiscal 2021 year); \$31,275 in advertising and promotion expenses mainly associated with the Company's efforts to raise awareness about the Company and its operations; \$23,276 in consulting fees; \$7,571 in regulatory and filing fees; \$3,000 in professional fees; and \$2,402 the Company incurred in project investigation costs which were mainly associated with exploratory work done on other prospective claims. During the quarter ended May 31, 2021, the Company's net and comprehensive loss was further increased by \$30,000 unrealized loss the Company recognized on revaluation of its investment in Brixton common shares.

During the quarter ended February 28, 2021, the Company recorded a net income of \$24,130. The largest factor affecting the result of the operations was associated with a \$150,000 reversal of a flow-through share premium liability the Company recognized on the Flow-Through Common Shares issued on August 14, 2020, which was further increased by \$8,261 gain realized on the sale of the Company's Metla Property, as during the quarter ended February 28, 2021, the Company received the BC Mining Exploration tax credit for exploration work carried out on Metla Property during the Company's fiscal 2020. These amounts were in part offset by \$10,834 in share-based compensation associated with vested portion of the options granted to the Company's officers, directors and consultants to acquire up to 1,650,000 Common Shares (these options were granted during fiscal 2019, 2020, and 2021 years); \$25,843 in professional fees; \$18,174 in advertising and promotion expenses mainly associated with the Company's efforts to raise awareness about the Company and its operations; \$14,716 in consulting fees; \$6,165 in regulatory and filing fees; and \$4,900 the Company incurred in project investigation costs which were mainly associated with consulting fees associated with exploration and project investigation, and exploratory work done on other prospective claims. During the quarter ended February 28, 2021, the Company's net and comprehensive income was further decreased by \$48,000 unrealized loss the Company recognized on revaluation of its investment in Brixton common shares.

During the quarter ended November 30, 2020, the Company recorded a net loss of \$113,897, which was comprised of: \$5,726 in share-based compensation associated with vested portion of the options granted to the Company's officers, directors and consultants to acquire up to 1,025,000 of the Company's Common Shares; \$2,110 the

Company incurred in project investigation costs which were mainly associated with consulting fees associated with exploration and project investigation, and exploratory work done on other prospective claims; \$21,243 in professional fees; \$9,112 in consulting fees; \$3,155 in regulatory and filing fees; and \$9,113 in advertising and promotion expenses mainly associated with the Company's efforts to raise awareness about the Company and its operations. The Company's net loss was in part decreased by \$15,000 gain on forgiveness of debt associated with project management fees the Company recorded as due to a related party. During the quarter ended November 30, 2020, the Company recognized a \$10,051 loss on the sale of its Metla Property, and \$66,000 unrealized loss on revaluation of the Company's investment in Brixton common shares.

During the quarter ended August 31, 2020, the Company recorded a net loss of \$100,946, which was comprised of: \$54,652 in share-based compensation associated with vested portion of the options granted to the Company's officers, directors and consultants to acquire up to 1,025,000 of the Company's Common Shares; \$8,823 the Company incurred in project investigation costs which were mainly associated with consulting fees associated with exploration and project investigation, and exploratory work done on other prospective claims; \$12,809 in professional fees; \$12,390 in consulting fees; \$15,164 in regulatory and filing fees; and \$11,569 in advertising and promotion expenses mainly associated with the Company's efforts to raise awareness about the Company and its operations. The Company's net loss was in part decreased by \$19,856 reversal of a flow-through premium the Company recognized on the flow-through Common Shares issued on December 20, 2019.

During the quarter ended May 31, 2020, the Company recorded a net loss of \$105,207, which was comprised of: \$50,686 in share-based compensation associated with vested portion of the options granted to the Company's officers, directors and consultants to acquire up to 1,025,000 of the Company's Common Shares; \$9,000 the Company incurred in project investigation costs which were in part associated with the Option Agreements to acquire the Que Property; \$8,931 in consulting fees; \$11,047 in regulatory and filing fees; and \$22,135 in advertising and promotion expenses mainly associated with the Company's efforts to raise awareness about the Company and its operations. Of the total amount recorded as advertising expense, \$6,523 was associated with fair market value of an option to acquire up to 50,000 Common Shares the Company granted to Mr. Lagiglia, managing Director of Nicosia, an entity the Company engaged in May of 2020 to provide investor relations services. The Company's net loss was in part decreased by \$15,144 reversal of a flow-through premium the Company recognized on the flow-through Common Shares issued on December 20, 2019.

During the quarter ended February 29, 2020, the Company recorded a net loss of \$133,379. The largest expense items that contributed to the net loss related to \$46,632 the Company incurred in professional fees, \$24,471 in share-based compensation associated with vested portion of the options granted to the Company's officers, directors and consultants to acquire up to 1,025,000 of the Company's Common Shares, and \$18,938 the Company incurred in project investigation costs which were in part associated with the Option Agreements to acquire the Ruby Creek Property and the Que Property, and in part with investigating other potential property acquisitions. During the same period the Company incurred \$9,661 in consulting fees, \$10,270 in regulatory and filing fees, and \$17,025 in advertising and promotion expenses mainly associated with the cost of issuing news releases to fulfill regulatory and Exchange requirements and also to raise awareness about the Company and its operations.

During the quarter ended November 30, 2019, the Company recorded a net loss of \$158,531. The largest expense items that contributed to the net loss related to \$50,016 the Company incurred in professional fees, \$39,744 in share-based compensation associated with vested portion of the options granted to the Company's officers, directors and consultants to acquire up to 600,000 of the Company's Common Shares, and \$39,709 the Company incurred in project investigation costs which were in part associated with the Option Agreement to acquire the Ruby Creek Property, and in part with investigating other potential property acquisitions. During the same period, the Company incurred \$16,954 in consulting fees, and \$7,449 in regulatory and filing fees.

## LIQUIDITY AND CAPITAL RESOURCES

	<b>August 31, 2021</b>	<b>February 28, 2021</b>
Working capital	\$ 2,017,687	\$ 1,308,647
Deficit	\$ 1,222,642	\$ 953,991

As at August 31, 2021, the Company's current assets were \$2,568,001 (February 28, 2021 - \$1,392,432) and current liabilities were \$550,314 (February 28, 2021 - \$83,785), resulting in a working capital of \$2,017,687 (February 28, 2021 - \$1,308,647). The current assets consisted of \$2,252,058 in cash (February 28, 2021 - \$867,423), \$44,801 in GST receivable (February 28, 2021 - \$68,931), \$67,142 in prepaid expenses (February 28, 2021 - \$162,078), and \$204,000 in marketable securities (February 28, 2021 - \$294,000). Of total \$2,252,058 in cash available at August 31, 2021, \$626,475 were reserved for funding exploration expenses which qualify as "flow-through mining expenditures" (within the meaning of the Income Tax Act (Canada)).

The Company's current liabilities increased by \$466,529, or 557%, which resulted from the \$140,641 increase in accounts payable to \$151,313 (February 28, 2021 - \$10,672), which included \$42,363 in payroll and withholding taxes payable for temporary geologists the Company employed for its summer exploration program, and \$82,768 owed to the vendors for the Ruby Creek summer exploration program. The amounts due to related parties increased by \$116,978, or 259% to \$162,107, as compared to \$45,129 as at February 28, 2021, the increase was associated with services and reimbursable expenses owed to related parties mainly on account of the Ruby Creek summer exploration program. The accrued liabilities increased by \$64,339 to \$92,323, as compared to \$27,984 at February 28, 2021, and were also associated with services rendered as part of the Ruby Creek summer exploration program.

During the six-month period ended August 31, 2021, the Company's operations were supported by \$2,225,401 the Company received on issuance of 4,000,000 Common Shares, of which 2,000,000 shares qualify as flow-through shares; \$60,501 received on exercise of options to acquire Common Shares and \$1,197 received on exercise of broker warrants to acquire Common Shares.

The Company did not generate sufficient cash flows from its operating activities to satisfy its cash requirements for the six-month period ended August 31, 2021. The cash that the Company has generated since its inception on July 7, 2017, to August 31, 2021, has been generated mainly from the sales of Common Shares. Based upon the current plans and following the July Offering, which generated \$2,225,401 in net receipts, the Company has enough cash resources to support the Company's operations during the next 12 months and to continue to carry out exploration programs at the Company's mineral exploration properties. In order to continue its operations and exploration programs beyond the 12-month period, the Company will be required to raise additional financing, which may be done through private loans, sale of marketable securities, where permissible, sale of additional Common Shares or other equity interests in the Company and/or through possible joint ventures. Although the Company has succeeded in raising funds as needed, this trend is not guaranteed to continue into the future. Many factors, including, but not limited to, issues related to the current COVID-19 pandemic, downturn of the economy, or a significant decrease in the price of minerals, could affect the willingness of potential investors to invest in grass-roots exploration projects. If the Company is unable to generate sufficient cash flow as and when needed, the Company may be required to curtail, or even to cease, its operations.

## TRANSACTIONS WITH RELATED PARTIES

During the six-month periods ended August 31, 2021 and 2020, the Company had the following transactions with related parties:

	<b>Six months ended August 31,</b>	
	<b>2021</b>	<b>2020</b>
Consulting fees paid or accrued to the Company's CEO	\$ 12,000	\$ 12,000
Accounting and consulting fees paid or accrued to the Company's CFO	9,750	4,000
Consulting fees paid to the Company's Corporate Secretary	13,379	6,321
Project management and mineral exploration fees paid or accrued to an entity controlled by the common-law spouse of the Company's co-founder and major shareholder	12,000	12,000
Mineral exploration and general business consulting fees paid or accrued to an entity controlled by the VP of Exploration	57,972	-
Property acquisition fee accrued to a director of the Company	10	-
Share-based compensation for options granted to directors and officers	103,811	80,271
Payroll expenses on stock options exercised by directors and officers	4,791	-
<b>Total related party transactions</b>	<b>\$ 213,713</b>	<b>\$ 114,592</b>

Amounts due to related parties consist of amounts owed directly to the officers and directors of the Company, or to the companies controlled by them, for the professional services or for the expenses incurred on behalf of the Company. These amounts are unsecured, non-interest bearing, and due on demand. At August 31, 2021, the Company owed a total of \$162,107 (February 28, 2021 - \$45,129) to its related parties.

## OUTSTANDING SHARE DATA

As at the date of this MD&A, the following securities were outstanding:

<b>Type</b>	<b>Amount</b>	<b>Conditions</b>
Common Shares	24,162,776	Issued and outstanding.
Stock options	535,000	Exercisable into 535,000 Common Shares at a price of \$0.20 per share expiring on August 6, 2024. All these options are fully vested and are exercisable assuming holders remain eligible per the terms of the Company's option plan.
Stock options	380,000	Exercisable into 380,000 Common Shares at a price of \$0.25 per share expiring on February 28, 2025. All these options are fully vested and are exercisable assuming holders remain eligible per the terms of the Company's option plan.
Stock options	625,000	Exercisable into 625,000 Common Shares at a price of \$0.50 per share expiring on July 18, 2023. The options vest quarterly beginning on April 18, 2021, in equal portions per each holder's grant. As of the date of this MD&A, 468,750 options have vested, and 156,250 options remain to be vested assuming the holders remain eligible per the terms of the Company's option plan.
Stock options	100,000	Exercisable into 100,000 Common Shares at a price of \$0.60 per share expiring on February 23, 2023. The options vest quarterly beginning on May 23, 2021, in equal portions. As of the date of this MD&A, 50,000 options have vested, and 50,000 options remain to be vested assuming the holder remains eligible per the terms of the Company's option plan.
Stock options	100,000	Exercisable into 100,000 Common Shares at a price of \$0.60 per share expiring on May 23, 2023. The options vest quarterly beginning on August 23, 2021, in equal portions. As of the date of this MD&A, 25,000 options have vested, and 75,000 options remain to be vested assuming the holder remains eligible per the terms of the Company's option plan.

Stock options	445,000	Exercisable into 445,000 Common Shares at a price of \$0.60 per share expiring on February 6, 2024. The options vest quarterly beginning on November 6, 2021, in equal portions. As of the date of this MD&A, all options remain to be vested assuming the holders remain eligible per the terms of the Company's option plan.
Stock options	100,000	Exercisable into 100,000 Common Shares at a price of \$0.60 per share expiring on August 6, 2023. The options vest quarterly beginning on November 6, 2021, in equal portions. As of the date of this MD&A, all options remain to be vested assuming the holders remain eligible per the terms of the Company's option plan.
	26,447,776	Total Common Shares outstanding (fully diluted).

## OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

## ACCOUNTING STANDARDS AND INTERPRETATIONS

Certain new accounting standards and interpretations have been published and are fully disclosed in Note 3 of the audited financial statements for the year ended February 28, 2021. Management is assessing the impact of these new standards on the Company's accounting policies and financial statement presentation.

## RISKS AND UNCERTAINTIES

The Company's activity of natural resource exploration is considered to be very high risk. Companies in this industry are subject to many and varied kinds of risks, including, but not limited to, environmental, commodity prices, political and economic, with some of the most significant risks and uncertainties affecting the Company being the following in addition to other risks disclosed in this MD&A:

- Substantial expenditures are required to explore for mineral reserves and the chances of identifying economical reserves are extremely small;
- The Company expects to continue to incur losses from operations unless and until such time as any of its mineral properties enter into commercial production and generate sufficient revenues to fund its continuing operations;
- The Company's mineral exploration programs are weather-dependent and unusual conditions, such as unexpected levels of snow cover on the Company's Que and Ruby Creek Properties, may lead to delays in all or a portion of the planned exploration program. The Company may mitigate this by moving and rescheduling personnel and work, however no guarantee that these measures may be sufficient enough to allow field exploration programs to continue as planned;
- The junior resource market, where the Company raises funds, is extremely volatile and there is no guarantee that the Company will be able to raise funds as and when required;
- Although the Company has taken steps to verify title to the mineral properties in which it has an interest, there is no guarantee that such properties will not be subject to title disputes or undetected defects;
- The Company is subject to the laws and regulations relating to environmental matters, including provisions relating to reclamation, discharge of hazardous material and other matters. The Company conducts its exploration activities in compliance with applicable environmental protection legislation and is not aware of any existing environmental problems related to its properties that may cause material liability to the Company; and
- The Company is cognizant of the COVID-19 pandemic and the resulting global implications. To date, there have been no significant disruptions to the Company's day-to-day operations, although the SkyTEM geophysical survey in 2020 was delayed by several weeks and the Company's 2020 field season was delayed by a similar number of weeks. In addition, a small, planned sampling and mapping program at the Company's Que Property was put on hold due to travel restrictions. Along with its regular safety and environmental program, the Company has implemented a Covid-19 Response Plan and is monitoring the situation. However, the Company cautions that the potential future impact of any restrictions on the Company's operations is currently unknown but could be significant.

## FINANCIAL INSTRUMENTS

### Fair Value

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.

The fair value of cash is measured based on Level 1 inputs of the fair value hierarchy.

The estimated fair value of financial liabilities approximates their carrying values due to the short-term nature of these instruments.

### Capital Management

The Company manages its capital to safeguard the Company's ability to continue as a going concern, to ensure future benefits to stakeholders, and to have sufficient funds on hand for business opportunities as they arise.

The Company considers the items included in share capital as capital. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares through short-form prospectuses, private placements, sell assets, incur debt, or return capital to shareholders. As at the date of this MD&A, the Company does not have any debt that is subject to externally imposed capital requirements.

The Company is exposed to various financial instrument risks and assesses the impact and likelihood of this exposure. These risks include liquidity risk, credit risk, and market risk. Where material, these risks are reviewed and monitored by the Board of Directors.

a) *Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due or can only do so at excessive cost. The Company maintains sufficient cash balances to meet current working capital requirements. The Company is considered to be in the exploration stage; thus, it is dependent on obtaining regular financings in order to continue its exploration and evaluation programs. Despite previous success in acquiring these financings, there is no guarantee of obtaining future financings. The Company's cash is deposited in business accounts with quality financial institutions, is available on demand for the Company's programs, and is not invested in any asset backed commercial paper.

b) *Credit risk*

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash, prepaid expenses, and GST receivable. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash and other assets with high-credit quality financial institutions.

c) *Market risk*

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

i. Currency risk

The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. The Company is not exposed to foreign currency risk.

**ii. Interest rate risk**

The Company's exposure to interest rate risk arises from the interest rate impact on its cash. In order to maintain liquidity, the Company plans to invest its cash at floating rates of interest in cash equivalents. There is a minimal risk that the Company would recognize a loss as a result of a decrease in the fair value of any guaranteed bank investment certificates included in cash, restricted cash and reclamation bond as they are generally held with large financial institutions.

**iii. Price risk**

Equity price risk is the risk that the fair value of equities decreases as a result of changes in the levels of equity indices and the value of individual stocks. The Company is exposed to equity price risk as a result of its investment in marketable securities represented by common shares of Brixton.

**CONTINGENCIES**

The Company has no contingent liabilities.

**ADDITIONAL INFORMATION**

Additional information concerning the Company and its operations is available on SEDAR at [www.sedar.com](http://www.sedar.com).