

DAURA CAPITAL CORP.

MANAGEMENT'S DISCUSSION & ANALYSIS

FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

GENERAL

This management's discussion and analysis ("MD&A") of the financial position and results of operations is as at May 2, 2022 and should be read in conjunction with the condensed interim financial statements of Daura Capital Corp. (the "Company" or "Daura") for the years ended December 31, 2021 and 2020 and the related notes thereto. Those financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"). All dollar amounts included therein and in the following management's discussion and analysis are in Canadian dollars except where noted. These documents and other information relevant to the Company's activities are available for viewing on SEDAR at www.sedar.com.

FORWARD LOOKING INFORMATION

This MD&A may contain "forward looking statements" that reflect the Company's current expectations and projections about its future results. When used in this MD&A, words such as "estimate", "intend", "expect", "anticipate" and similar expressions are intended to identify forward-looking statements, which, by their very nature, are not guarantees of the Company's future operational or financial performance, and are subject to risks and uncertainties and other factors that could cause Daura's actual results, performance, prospects or opportunities to differ materially from those expressed in, or implied by, these forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this MD&A or as of the date otherwise specifically indicate herein. Due to risks and uncertainties, including the risks and uncertainties identified above and elsewhere in this MD&A, actual events may differ materially from current expectations. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise except as required by securities regulations.

COMPANY OVERVIEW

The Company was incorporated under the Business Corporations Act of British Columbia on March 29, 2018. The Company is classified as a Capital Pool Company ("CPC") as defined in Policy 2.4 of the TSX Venture Exchange ("TSX-V" or the "Exchange"). The Company's principal business is to identify, evaluate and acquire assets, properties or businesses which would constitute a qualifying transaction in accordance with Policy 2.4 of the Exchange. The Company's common shares are listed on the TSX-V under the symbol "DUR". The Company's head office is located at 704 - 595 Howe Street, Vancouver, British Columbia, Canada.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds. Therefore, there is uncertainty that may cast doubt on the Company's ability to continue as a going concern.

HIGHLIGHTS

During the year ended December 31, 2021, the Company:

- entered into definitive share exchange agreement with Estrella Gold S.A.C. ("Estrella") and its shareholders (the "Estrella Shareholders"), whereby the Company will acquire all of the outstanding shares of Estrella in exchange for 3,000,000 common shares of the Company. This acquisition will constitute the Company's qualifying transaction (the "Qualifying Transaction") under the policies of the TSX-V;
- filed its filing statement relating to the Qualifying Transaction and announced a proposed non-brokered private placement financing for gross proceeds between \$2,650,000 and \$3,000,000 to be completed concurrent with closing of the Qualifying Transaction; and
- received conditional approval from the TSX-V on the Company's proposed Qualifying Transaction.

RESULTS OF OPERATIONS

Three months ended December 31, 2021

The Company recorded a loss of \$11,176 for the three months ended December 31, 2021, compared to \$45,935 for the comparative quarter. The decrease was attributable to a reduced level of general and administrative activities as the Company continued to progress towards the completion of its Qualifying Transaction and accrued interest income on the Company's loan receivable from Estrella.

Year ended December 31, 2021

The Company recorded a loss of \$73,765 for the year ended December 31, 2021 compared to \$180,076 for the comparative period. The decrease was attributable to a reduced level of general and administrative activities as the Company continued to progress towards the completion of its Qualifying Transaction and accrued interest income on the Company's loan receivable from Estrella.

ANNUAL FINANCIAL INFORMATION

Year ended	December 31, 2021	December 31, 2020	December 31, 2019
Financial Results			
General and administrative expenses	\$ 96,875	\$ 186,407	\$ 166,301
Loss for the year	(73,765)	(180,076)	(166,065)
Loss per share - basic and diluted	(0.02)	(0.07)	(0.29)
Financial Position			
Working capital	109,352	36,845	94,850
Total assets	742,431	516,412	161,258
Share capital	569,121	569,121	261,377
Deficit	(443,254)	(369,489)	(189,413)

QUARTERLY FINANCIAL INFORMATION

The following table provides selected financial information for the eight quarters up to December 31, 2021 and should be read in conjunction with the Company's financial statements for the years ended December 31, 2021 and 2020.

Quarter ended	December 31, 2021	September 30 2021	June 30 2021	March 31 2021
Revenue	\$ -	\$ -	\$ -	\$ -
Share-based payments	-	-	-	-
Loss and comprehensive loss	\$ (11,176)	\$ (15,983)	\$ (994)	\$ (45,612)
Quarter ended	December 31 2020	September 30 2020	June 30 2020	March 31 2020
Revenue	\$ -	\$ -	\$ -	\$ -
Share-based payments	-	-	-	-
Loss and comprehensive loss	\$ (45,935)	\$ (51,972)	\$ (43,342)	\$ (38,827)

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

As at December 31, 2021, the Company had working capital of \$109,352 (2020 - \$36,845), which was primarily comprised of cash of \$357,182 and accounts payable and accrued liabilities of \$247,830. The Company had no long-term debt.

During the year ended December 31, 2021, cash increased by \$160,925, primarily from subscriptions received in advance net of operating cash outflows.

Operating activities

During the year ended December 31, 2021, net cash used in operating activities amounted to \$46,225, which included an increase of accounts payable and accrued liabilities of \$50,766.

Investing activities

During the year ended December 31, 2021, net cash used in investing activities was \$4,216, which were deferred acquisition costs related to its Qualifying Transaction.

Financing activities

During the year ended December 31, 2021, the Company received subscriptions in advance of \$211,366 in connection to the proposed non-brokered private placement financing to be completed concurrent with closing of the Qualifying Transaction.

FINANCIAL INSTRUMENTS, RISKS AND CAPITAL MANAGEMENT

The Company does not utilize complex financial instruments in hedging metal price, foreign exchange or interest exposure. Any hedging activity requires approval of the Company's Board of Directors. The Company will not hold or issue derivative instruments for speculation or trading purposes.

Please refer to the financial statements for the year ended December 31, 2021 on <http://www.sedar.com>.

RELATED PARTY TRANSACTIONS

For the years ended December 31, 2021 and 2020, there was no compensation to management personnel.

For the year ended December 31, 2021, the Company paid or accrued \$15,000 (2020 - \$60,000) to Seabord Services Corp. ("Seabord"). Seabord provides the following services to the Company: A Chief Financial Officer ("CFO"), a Corporate Secretary, accounting and administration staff, office space, and any related work to the IPO and Qualifying Transaction of the Company. The CFO and Corporate Secretary are employees of Seabord and are not paid directly by the Company.

As at December 31, 2021, the Company had \$4,985 (December 31, 2020 - \$4,985) due to an officer of the Company related to expense reimbursements, and \$63,000 (December 31, 2020 - \$47,250) due to Seabord which have been included in accounts payable and accrued liabilities.

EVENT AFTER REPORTING DATE

Subsequent to December 31, 2021, the Company entered into a non-interest-bearing loan arrangement for \$101,200 payable by June 30, 2023.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

CHANGES IN ACCOUNTING POLICIES

Please refer to the financial statements for the year ended December 31, 2021 on <http://www.sedar.com>.

RISKS AND UNCERTAINTIES

The Company has successfully completed its IPO. Subsequent to the completion of its IPO, the Company is not permitted to carry on any other business other than the identification and evaluation of assets or business to complete a Qualifying Transaction.

There can be no assurance the Company will successfully identify an assets or businesses to complete a Qualifying Transaction or have the necessary financial resources to complete a Qualifying Transaction. There can be no assurance that the Company will be able to successfully obtain the necessary financing in the future on terms acceptable to the Company or at all.

DISCLOSURE CONTROLS AND PROCEDURES

In connection with National Instrument 52-109 (Certification of Disclosure in Issuer's Annual and Interim Filings) ("NI 52-109"), the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the financial statements for the years ended December 31, 2021 and 2020 and this accompanying MD&A.

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Annual Filings on SEDAR at www.sedar.com.

OUTSTANDING SHARE DATA

As of the date of this MD&A, the Company had 7,054,668 common shares issued and outstanding. There were also 460,000 stock options outstanding with expiry date of September 17, 2024.