

## MANAGEMENT DISCUSSION AND ANALYSIS

To the Shareholders of Opus One Gold Corporation (formerly Opus One Resources Inc.) (Opus or the “Company”)

### INTRODUCTION

This Management Discussion and Analysis (“MD&A”) provides a detailed analysis of the business of Opus One Gold Corporation (formerly Opus One Resources Inc.) (“Opus” or the “Company”) and compares its financial results for the period ended May 31, 2021 to the same period in the previous year. This MD&A should be read in conjunction with the Company's audited financial statements for the year ended August 31, 2020. The Company's reporting currency is the Canadian dollar and all amounts in this MD&A are expressed in Canadian dollars.

The Company's financial results are being reported in accordance with International Financial Reporting Standards (“IFRS”). Further details are included in Note 2 of the audited financial statements for the year ended August 31, 2020. This MD&A is made as of July 29, 2021.

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls to ensure that information used internally or disclosed externally, including the financial statements and MD&A, is complete and reliable.

This MD&A contains certain statements that constitute “forward-looking statements”. Forward-looking statements include but are not limited to, statements regarding future anticipated exploration programs and the timing thereof, and business and financing plans. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or which by their nature refer to future events. The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, and that actual results may differ materially from those in forward looking statements as a result of various factors, including, but not limited to, the Company's ability to identify one or more economic deposits on its property, to produce minerals from its property successfully or profitably, to continue its projected growth, to raise the necessary capital or to be fully able to implement its business strategies.

Additional information relating to the Company can be located on the SEDAR website at [www.sedar.com](http://www.sedar.com).

### OVERALL PERFORMANCE AND HIGHLIGHTS

#### **Financing**

On July 31 and August 7, 2020, the Company completed a non-brokered private placement financing of 35,000,000 units at a price of \$0.05 per unit for gross proceeds of \$1,750,000. Each unit consisted of one common share and one common share purchase warrant. Each warrant entitles the holder to acquire one additional common share of the Company at a price of \$0.07 until July 31, 2023 and August 7, 2023 (33,000,000 and 2,000,000 warrants respectively).

On August 7, 2020, the Company issued 9,375,000 flow-through common shares at a price of \$0.08 each for gross proceeds of \$750,000.

#### **Options**

On September 3, 2020, the Company granted 600,00 share purchase options to a consultant having an exercise price of \$0.10 for a period of two years.

## **Property**

On September 29, 2020, the Company concluded an amending agreement with respect to the Fecteau property as detailed in Note 5 and issued 312,500 common shares. A further option payment of \$75,000 was made on January 29, 2021, 50% thereof as 535,714 shares at a value of \$0.07 per share.

On May 15, 2021, the Company issued 1,000,000 common shares valued at \$50,000 pursuant to its option agreement to acquire a 100% interest in the Noyell property.

## **ONGOING WORK DURING THE QUARTER AND TO DATE**

### **GENERAL:**

A total of 5,104m of drilling (12 holes) were complete on Noyell during the winter season. All assay results have now been received and compile. A new interpretation for Zone 1, the main mineralized gold zone on the property, was produced as well as a 3D Leapfrog model of the geology.

### **COURVILLE:**

A new database of this project is being created as the old database had been generated on old software not used anymore. New sections will soon be produced, and the project will be re-interpreted and re-evaluated.

### **VEZZA NORTH:**

No work done during the quarter.

### **VEZZA EXTENSION:**

No work done during the quarter.

### **BACHELOR EXTENSION:**

No work done during the quarter.

### **FECTEAU:**

A statutory work compilation is being completed. This project is ready to drill. A 6-hole, 1,200 m drilling program is proposed.

### **NOYELL**

The company completed 5,104 meters of drilling in 12 holes during the winter drilling season. Nine holes were aimed at better defining and extending the 2020 gold discovery in the Main Zone area while three holes explored 2 distinct IP anomalies in the eastern part of the property.

The following tables shows all the results obtained in 2020 and 2021 for Zone 1 and Zone 2 based on a new interpretation of the geology and mineralized zones in the sector. The mineralization can be followed laterally (East-West) for at least 500 m and vertically for 400 m. It is open in all directions. Zone 1 is the main mineralized horizon

and the only one showing multiple economic intervals. Its strikes in an East-West direction and dips steeply (67°S) to the south. It appears as a panel like formation, parallel and directly in contact with a horizon of Oxide Iron Formation 2-4 m thick. The gold mineralization is found in a multi meter zone of quartz-sulphide stockwork. The sulphides, mostly pyrrhotite with minor pyrite and arsenopyrite, are observed as disseminated to semi-massive. It appears that gold grades are directly correlated with the amount of pyrrhotite in the stockwork.

### SIGNIFICANT RESULTS ZONE 1 - 2020 and 2021

Drill Hole	From	To	ppm Au	Length (m)	Metal Factor g/t Au X m
NO-20-01	374,6	381,1	2,05	6,5	13,3
NO-20-02	294,9	306,1	3,54	11,2	39,6
NO-21-01	237,5	238,1	0,06	0,6	0
NO-21-02	309,3	312	0,46	2,7	1,2
NO-21-03	302,6	303,7	8,07	1,1	8,9
NO-21-04	421	424,5	4,84	3,5	16,9
NO-21-05	421,8	424,5	6,27	2,7	16,4
NO-21-06	404	410,5	4,47	6,5	29,1
NO-21-07	403,5	405,5	2,38	2	4,8
NO-21-08	394,5	395,1	0,72	0,6	0,4
NO-21-12	425,5	428	6,02	2,5	15,2

### SIGNIFICANT RESULTS ZONE 2 – 2020 and 2021

Drill Hole	From	To	g/t Au	Length (m)
NO-20-01	425,6	429,5	1,60	3,9
NO-20-02	358,8	360	1,20	1,2
NO-21-01	290,50	291,00	3,18	0,50
NO-21-02	361,30	364,50	1,22	3,20
NO-21-03	348,00	352,00	0,56	4,00
NO-21-04	475,80	477,80	0,57	2,00
NO-21-05	471,00	472,00	1,04	1,00
NO-21-06	461,00	463,00	1,15	2,00
NO-21-07	455,20	455,70	0,80	0,50
NO-21-08	442,00	444,40	0,24	2,40
NO-21-12	476,70	484,10	0,34	7,40

The following table indicate all recent and historical drilling results on Zone 1. It is estimated that only 10,000m of drilling has been completed on the zone so far, including 5,000m by OOR (2020 and 2021). The discovery is still at a very early stage of delineation compared to most gold discoveries in the province.

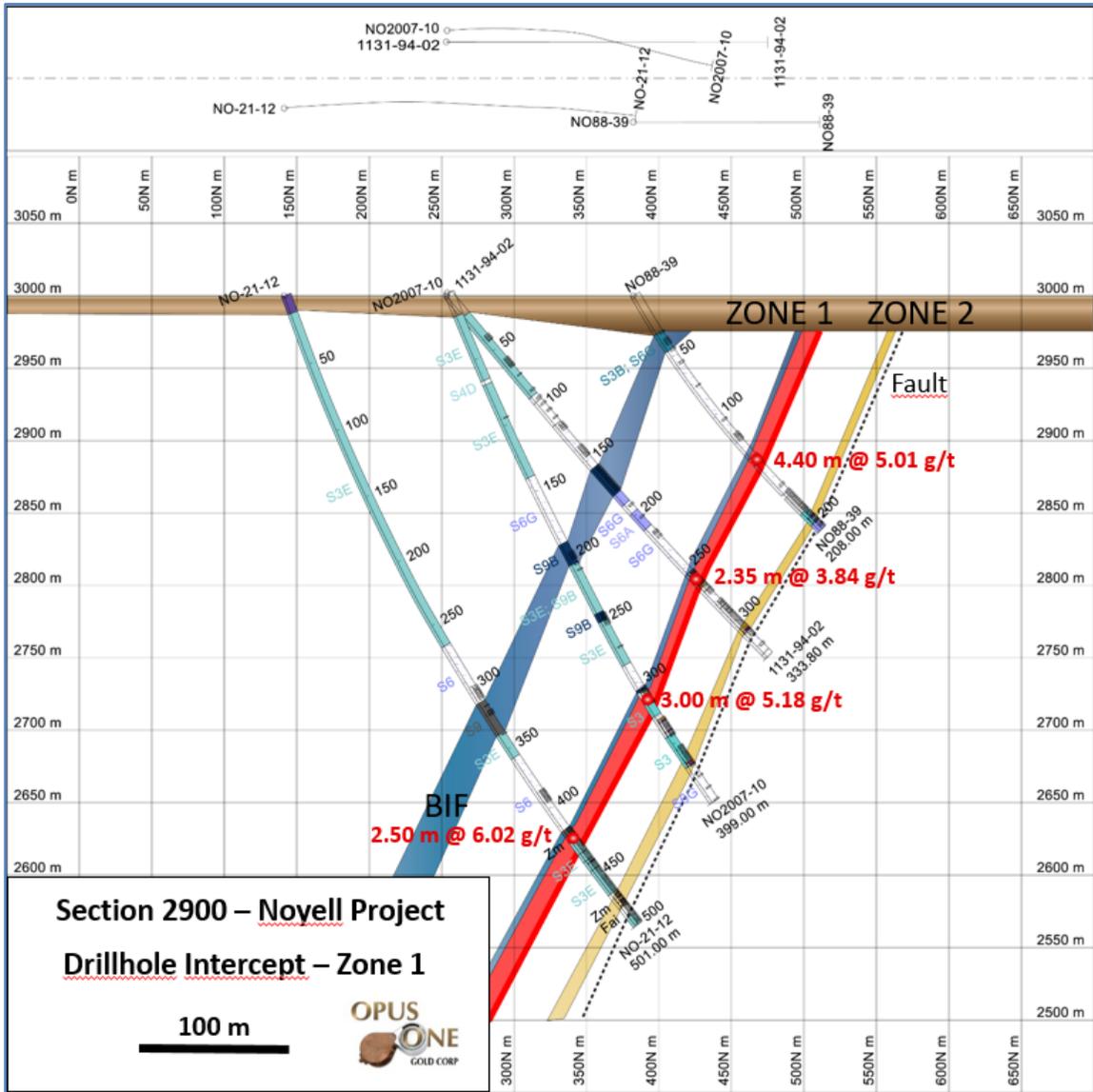
## ALL RECENT AND HISTORICAL RESULTS - ZONE 1

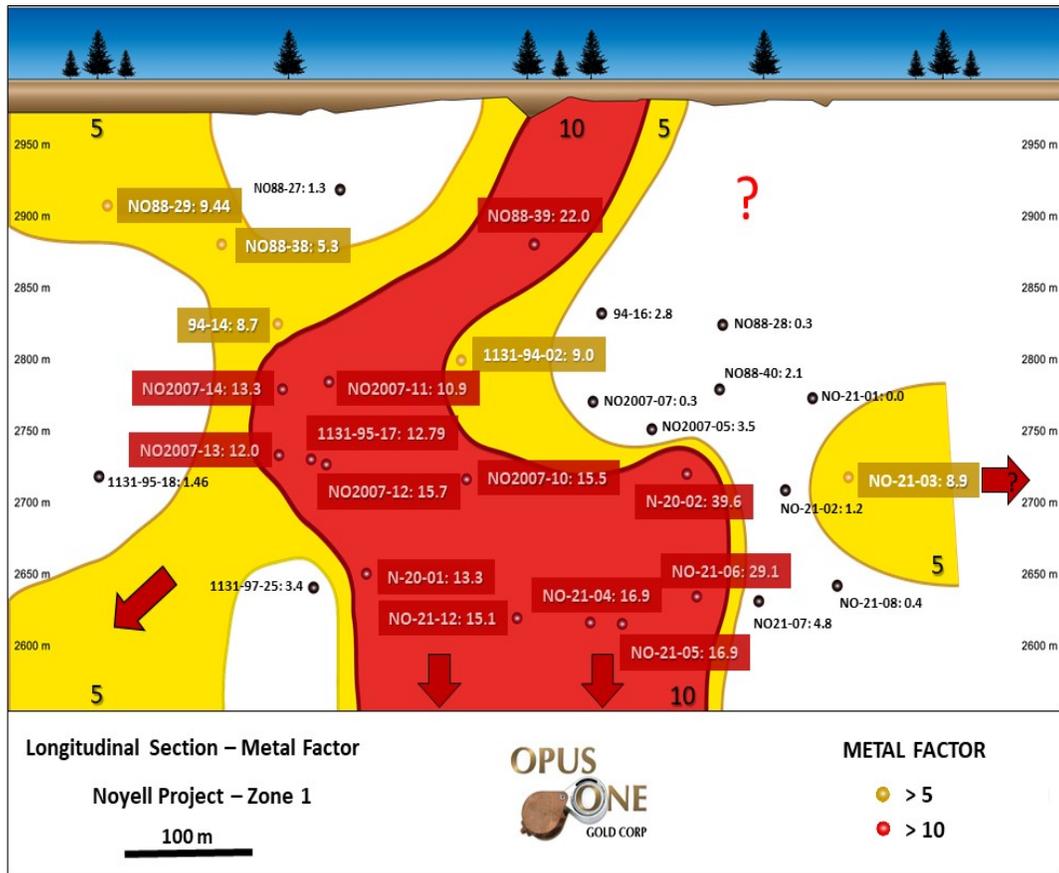
Drill Hole	From	To	ppm Au	Length (m)	Metal Factor
88-27	103,5	105,3	0,71	1,8	1,3
88-28	237,8	238,4	0,45	0,6	0,3
88-38	136,8	138,5	3,13	1,7	5,3
88-39	140,4	144,8	5,01	4,4	22
88-40	249	249,4	5,2	0,4	2,1
94-02	259,22	261,57	3,84	2,35	9
94-14	232,9	235,55	3,28	2,65	8,7
94-16	188,95	190,7	1,59	1,75	2,8
95-17	282,5	287	2,82	4,5	12,6
97-25	384,45	388,55	0,84	4,1	3,6
2007-05	279,3	280,1	4,41	0,8	3,6
2007-07	242,5	243	0,65	0,5	0,3
2007-10	312	315	5,26	3	16
2007-11	247,7	250	4,74	2,3	10,9
2007-12	282,8	286,5	4,25	3,7	15,7
2007-13	286,3	291,5	2,3	5,2	12
2007-14	255,2	260	2,77	4,8	13,3
NO-20-01	374,6	381,1	2,05	6,5	13,3
NO-20-02	294,9	306,1	3,54	11,2	39,6
NO-21-01	237,5	238,1	0,06	0,6	0
NO-21-02	309,3	312	0,46	2,7	1,2
NO-21-03	302,6	303,7	8,07	1,1	8,9
NO-21-04	421	424,5	4,84	3,5	16,9
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NO-21-07	403,5	405,5	2,38	2	4,8
NO-21-08	394,5	395,1	0,72	0,6	0,4
NO-21-12	425,5	428	6,02	2,5	15,2

The following figures show the style of mineralization base on our new interpretation of the geology. The first figure is a cross-section in the center of the mineralized Zone 1. It shows a very good continuity of grades and an incredibly simple geometry for the mineralization. The second figure is a vertical longitudinal section of Zone 1 showing Metal Factors (grade X thickness). The lateral and vertical extents of the zone can easily be observed as well as the quality of mineralization base on Metal Factors, an excellent indicator for gold. All indicator shows that the mineralization is open in all directions with a particularly strong vertical vector. It shall be noted that no drilling as yet been performed below the 400 m level.

The winter drilling program was very successful and a new significant gold discovery is being delineated in the Abitibi, close to the town of Matagami and within 100 km of an operating gold mill (Sleeping Giant). Drilling was carried out very smoothly and costs were kept very low compared to other drilling programs in the province. All costs included, the drilling was completed at a cost of approximately \$150/m which is at the low end of the cost range

for diamond drilling.





## OUTLOOK FOR THE NEXT QUARTER

An airborne mag survey is being carried out on Zone 1 at Noyell. Results should be available soon. New drilling targets might emerge from this survey as Zone 1 is now known to be closely associated with a narrow horizon of Banded Iron Formation which is strongly magnetic. Follow-up of the mag anomaly might lead to new gold intervals, especially near surface where drilling is sparse.

The next quarter will be dedicated to showing our results to the market. We have already started to show our corporate presentation to some of our shareholders and we intend to intensify our effort as travelling and meeting restrictions due to Covid-19 as being lifted.

We also intend to seek partners for Bachelor Extension and Fecteau properties.

**EXPLORATION AND EVALUATION ASSETS**  
SIX MONTH ENDED FEBRUARY 28, 2021

The Company incurred property acquisition and deferred exploration costs, which are included in exploration and evaluation assets, as follows:

	Veza North	Veza Extension	Bachelor Extension	Noyell	Fecteau	Courville	Total
<b>Balance, August 31, 2020</b>	\$ 553,294	\$ 470,957	\$ 284,088	\$ 347,347	\$ 591,278	\$ 6,082	\$ 2,253,046
Deferred exploration costs:							
Drilling	43	44	-	772,361	3,147	-	775,595
Geophysical	-	-	-	-	36,160	-	36,160
Geological	1,043	1,043	-	17,085	33,759	-	52,930
General field expense	-	-	-	-	23,710	-	23,710
Claim management	-	-	-	-	733	-	733
	1,086	1,087	-	789,446	97,509	-	889,128
Acquisition costs:							
Cash	-	-	-	-	62,500	-	62,500
Shares	-	-	-	50,000	62,500	-	112,500
Legal and other	-	-	-	-	-	-	-
	-	-	-	50,000	125,000	-	175,000
Total expenditures	1,086	1,087	-	839,446	222,509	-	1,064,128
Refundable tax credits	-	-	-	-	-	-	-
<b>Balance, May 31, 2021</b>	\$ 554,380	\$ 472,044	\$ 284,088	\$ 1,186,793	\$ 813,787	\$ 6,082	\$ 3,317,174

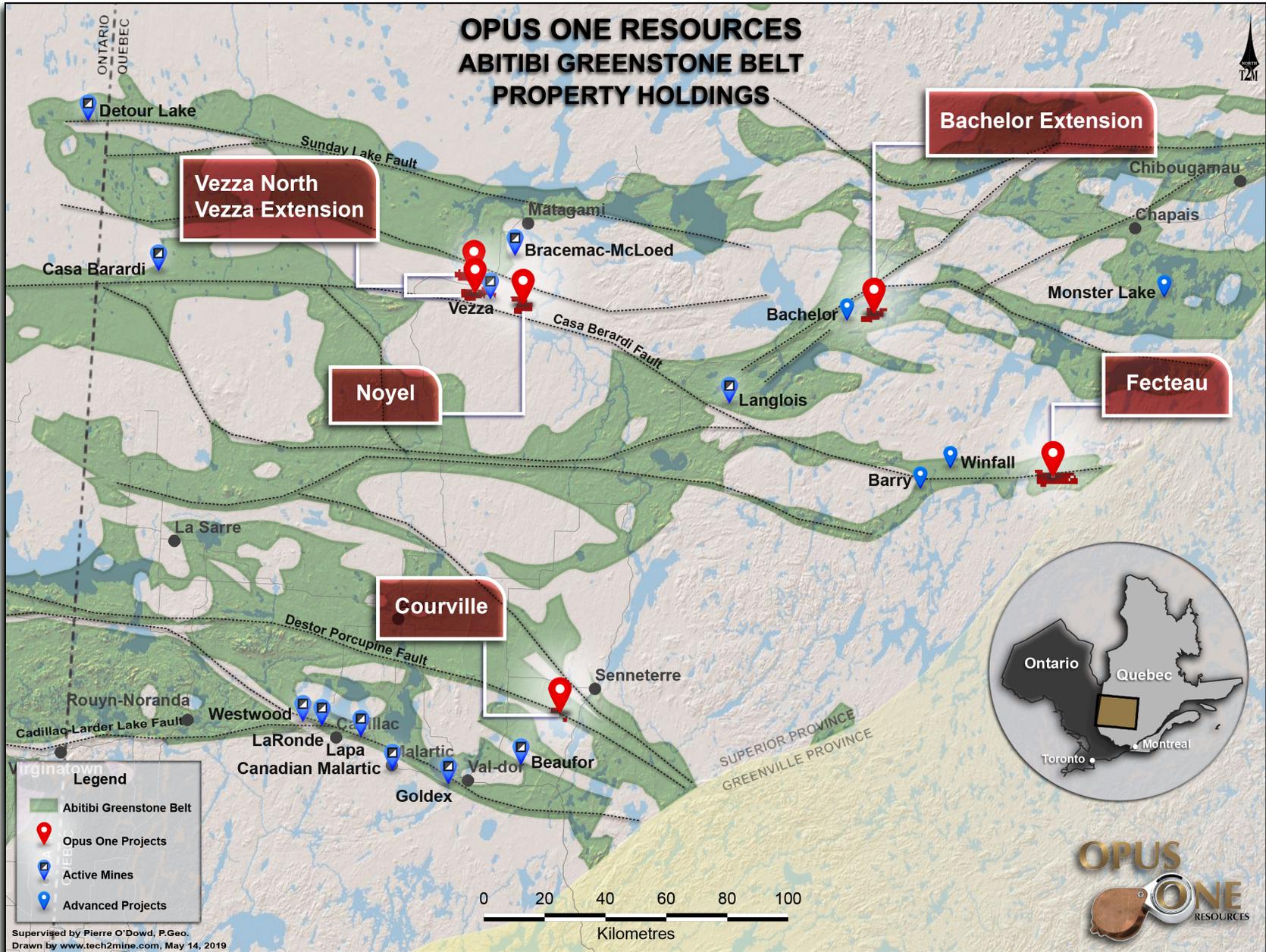
## EXPLORATION AND EVALUATION ASSETS

The Company incurred property acquisition and deferred exploration costs, which are included in exploration and evaluation assets, as follows:

	Veza North	Veza Extension	Bachelor Extension	Noyell	Fecteau	Courville	Total
<b>Balance, August 31, 2019</b>	\$ 553,294	\$ 470,957	\$ 284,088	\$ 78,036	\$ 524,184	\$ 6,082	\$ 1,916,641
Deferred exploration costs:							
Drilling	-	-	-	149,700	-	-	149,700
Geophysical	-	-	-	25,500	9,279	-	34,779
Geological	-	-	-	35,546	12,017	-	47,563
General field expense	-	-	-	4,154	41,440	-	45,594
Claim management	-	-	-	1,910	4,358	-	6,268
	-	-	-	216,810	67,094	-	283,904
Acquisition costs:							
Cash	-	-	-	11,900	-	-	11,900
Shares	-	-	-	38,100	-	-	38,100
Legal and other	-	-	-	2,501	-	-	2,501
	-	-	-	52,501	-	-	52,501
Total expenditures	-	-	-	269,311	67,094	-	336,405
Refundable tax credits	-	-	-	-	-	-	-
<b>Balance, August 31, 2020</b>	\$ 553,294	\$ 470,957	\$ 284,088	\$ 347,347	\$ 591,278	\$ 6,082	\$ 2,253,046

Opus One General Property Location Map (Figure 1 below)

# OPUS ONE RESOURCES ABITIBI GREENSTONE BELT PROPERTY HOLDINGS



Supervised by Pierre O'Dowd, P.Geol.  
 Drawn by www.tech2mine.com, May 14, 2019

Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand), NGCC, © OpenStreetMap contributors, and the GIS User Community, Copyright © 2014 Esri



## **Chibougamau Projects**

On June 20, 2016, the Company entered into three separate option agreements (the “Agreements”) with various Quebec based prospectors all dealing at arm’s length with the Company.

The claims are located in the Chibougamau-Chapais and Urban-Barry mining camps.

Under the terms of the Agreements, Opus has the option to acquire 100% interest in each property on the following terms and conditions:

### **WinWin**

The Company decided not to continue with the WinWin option, and wrote off accumulated exploration and evaluations costs of \$312,085 during the year ended August 31, 2019.

### **Grizzly**

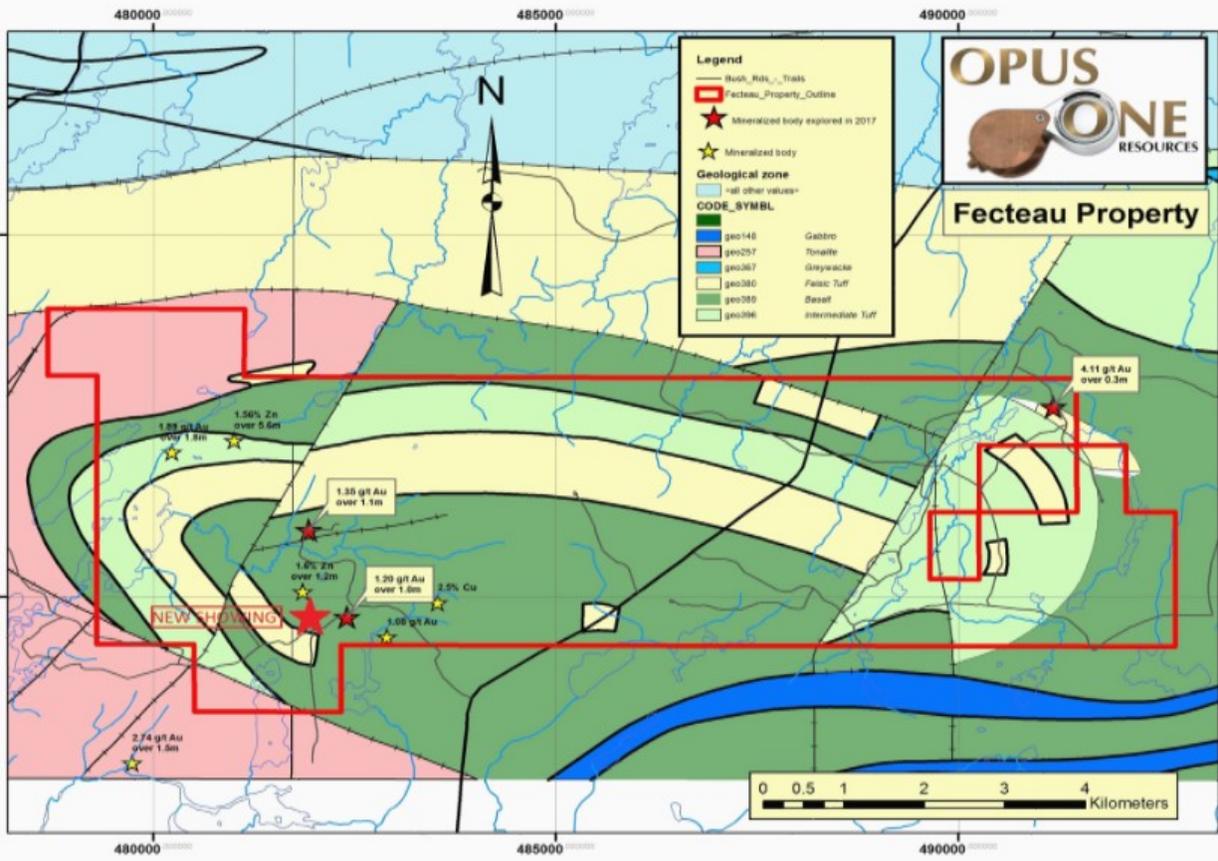
The Company decided not to continue with the Grizzly option, and wrote off accumulated exploration and evaluations costs of \$285,771 during the year ended August 31, 2019.

### **Fecteau**

Cash payments over a 4-year period totalling \$355,000 (paid \$55,000), and incurring exploration expenditures totaling \$1,200,000 over a 4-year period (incurred \$735,427).

The Fecteau property is subject to a 2% net smelter royalty (“NSR”) of which 1% can be repurchased for a one-time cash payment of \$1,000,000. The Agreement provided for cash payments totaling \$50,000 due June 10, 2018 and \$100,000 due June 10, 2019, which the Company did not complete.

Effective September 29, 2020, the Company concluded an amending agreement with the optionors whereby the Company now has until December 31, 2023 to acquire its interest in the Fecteau property by completing its remaining option payment and exploration expenditure obligations. As such, the Company’s remaining option payments total \$250,000, 50% of which shall be paid in common shares of the Company ((\$75,000 payable on or before January 31, 2021, which was paid as \$37,500 cash and 535,714 shares at \$0.07 per share for an additional \$37,500) and exploration expenditures commitments totaling \$500,000 (\$150,000 to be incurred on or before December 31, 2021). In consideration for these amendments, the Company paid the optionors \$25,000 and issued 312,500 shares.



## **NORTHERN ABITIBI (VEZZA; BACHELOR) PROPERTIES**

### ***Original option***

Pursuant to an option agreement dated December 12, 2013 and superseded by a purchase agreement with a company with a former director in common, Probe Metals Inc. (“Probe”), the Company agreed to purchase three of the Casa-Cameron properties located in the Abitibi Greenstone Belt, Quebec (the “Properties”), being Vezza North, Vezza Extension and Bachelor Extension, in exchange for the issuance of a total 3,000,000 common shares valued at \$390,000 and payments of \$275,000 (paid).

The Properties are subject to a 2% net smelter returns royalty (“NSR”) to Probe, 1% of which may be bought back by the Company for \$1,000,000. The Company has also assumed certain existing royalty obligations for certain claims within the Properties. Further, the Company agreed to pay \$1,000,000 to Probe for any of the Properties for which a pre-feasibility study is prepared and filed, payable in cash or shares at the discretion of the Company.

## **NORTHERN ABITIBI PROJECT BACKGROUND**

The following information concerning the Property has been taken and summarized from and is based upon the technical report prepared by Rémi Charbonneau, Geologist, Ph.D, OGQ permit #290 and Isabelle Robillard, Geologist, M.Sc., OGQ permit #287 (the “Technical Report”), in accordance with National Instrument 43-101 *Standards of Disclosure for Mineral Projects* (“NI 43-101”). Mr. Charbonneau and Ms. Robillard are each a “Qualified Person” for the purposes of NI 43-101 and are each independent of Opus within the meaning of NI 43-101. As certain portions of the Technical Report are based on assumptions, qualifications, references and procedures, reference is made to the full text of the Technical Report filed by Opus on SEDAR under its profile at [www.sedar.com](http://www.sedar.com). Readers are strongly encouraged to review the Technical Report in its entirety.

### **Area and Location**

The Project is located in the Abitibi region of Quebec extending from the Vezza township north of La Sarre to the Le Sueur township northeast of Lebel-sur-Quévillon (Figure 2). The Project originally included nine properties distributed along the 225 km strike of the Casa-Bérardi Cameron structural corridor which presents gold potential. Following the completion of the Asset Purchase Agreement with Adventure Gold, the following individual claims remain as part of the Northern Abitibi Projects:

- Vezza North and Vezza Extension properties are located some 27 km south of Matagami and 152 km north of the town of Amos;
- Bachelor Extension Property is located 90 km north of Lebel-sur-Quévillon and less than 15 km northeast of Desmaraisville.

The continuing project consists of 164 mining titles, with a total surface area of 8,290 ha or 82,9 km<sup>2</sup>. The claims are not contiguous and form three (3) properties, each one being represented by a single continuous claim block, except for the Vezza North property which includes two entities, referred to as the West claim blocks and the East claim blocks.

All the claims are in good standing and are free from any obligations or environmental liability, restoration or

decommissioning works. According to Mining Act (Québec) (the “Mining Act”), renewal of claims takes place every two years, with cost depending on area. Claim holders are required to conduct statutory work during the validity period of the claim. Where a claim or lease shows excess spending amounts for required works, these amounts are put to the credit of the claims and are expected to cover several years in most cases.

The properties comprising the Project are in good standing.

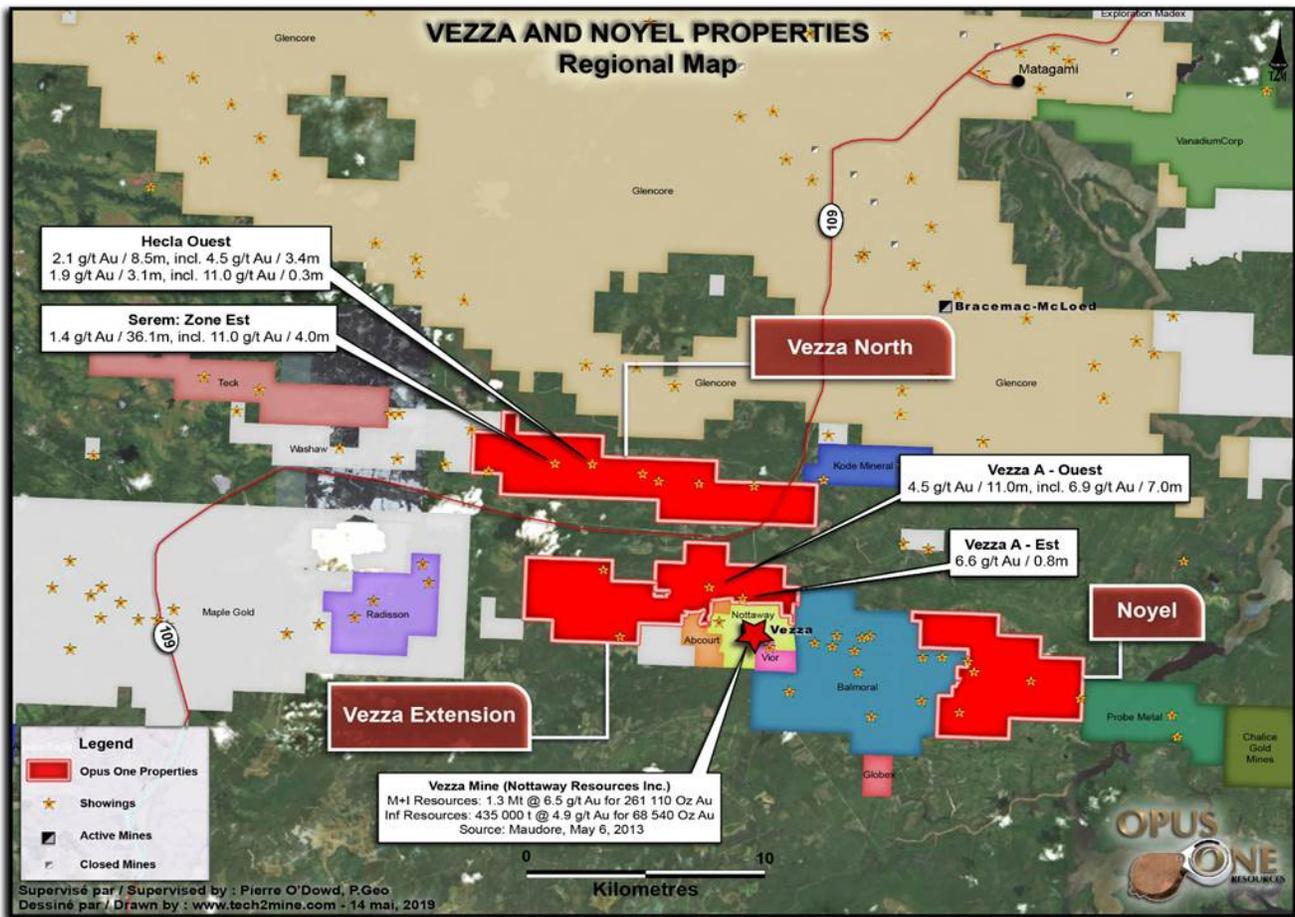


Figure 2

## Noyell

On April 12, 2019, the Company entered into an option agreement with Magna Terra Minerals Inc. regarding the Noyell Property located in the Northern Abitibi Greenstone Belt, Quebec. Under the terms of the agreement; Opus One can acquire a 100% interest in the property by paying \$500,000 (in cash, or in shares, or a combination of both at the Company's sole discretion, subject to the issuance of a maximum of 7,000,000 common shares) over a five (5) year period as follows:

- By May 25, 2019, pay \$50,000 (issued 1,000,000 common shares valued at \$50,000)
- By May 15, 2020, pay \$50,000 (issued 1,000,000 common shares valued at \$38,100 and paid \$11,900)
- By May 15, 2021, pay \$50,000; (issued 1,000,000 common shares valued at \$50,000)
- By May 15, 2022, pay \$50,000;
- By May 15, 2023, pay \$100,000; and
- By May 15, 2024, pay \$200,000.

The Noyell Property is found within the Douay-Cameron deformation corridor (just south of the interpreted Casa Berardi Break) which hosts the Douay deposit, 35 km to the west of the property, and the currently producing Vezza Mine (past production approximately 800,000 tons @ 4.5 gpt Au), located some 8 km to the west of Noyell, according to Valere Larouche, Vezza Mine geologist.

Numerous gold occurrences have been discovered by drilling on the Property in the past twenty years, first by Cominco Ltd., then by SOQUEM, and then Normabec Mining Resources. Gold is found in three geological environments: 1) close or within sulphide facies Iron Formations and cherts. 2) within sheared metasediments and 3) within a graphitic fault. It shall be noted that the Vezza mine horizon (contact between a band of mafic volcanics and sediments) has not been properly explored (if present) on the Property.

The Property covers approximately 5 km of strike of the favorable stratigraphy. Two zones have been defined in previous drilling programs: the West and East zones. Historical mineralized intervals range from less than 1 gpt Au up to 14 gpt Au over a maximum width of 3 meters. (Source: Gouvernement files; Examine)

During the course of winter 2007, 10 boreholes consisting of 2,892 total metres of drilling were completed [Examine], all in the eastern portion of the property (see table below). Significant results were obtained in several boreholes suggesting strong intersections of interest in the property's mineralised structures. In December 2008 a magnetic Survey was completed on the claims staked in 2007 on the eastern part of the property (Examine). This Survey confirmed the iron formations that carry gold mineralization continued toward the East.

During the winter of 2011, Catlee Resources conducted an induced polarization survey (IPower 3D) on the eastern part of the property (claims staked in 2007, 18 kilometres of line). This survey confirmed that the mineralised zone, which was the focus of the most 2007 boreholes on the property, might continue through this portion of the property in the ESE direction, and could still be open to the east. (Source: Government files; Examine)

Past drilling on Noyell has outlined various gold showings in distinct geological environments. The most promising environment appears to be related to mineralized stockworks in the center of the property. Promising historical values have been obtained in drilling such as:

- 7.89 g/t Au over 1.20 m
- 6.79 g/t Au over 1.50 m
- 19.97 g/t Au over 0.50 m
- 5.33 g/t Au over 3.0 m
- 6.93 g/t Au over 1.0 m
- 13.36 g/t Au over 0.40 m and many more

All other holes of the drilling program were either abandoned prematurely or not drilled. The 2007 samples were analyzed by FA with gravity finish at Expert Laboratory (certified) located in Rouyn-Noranda, Quebec. Mr. Pierre O'Dowd, a Qualified Person under NI 43-101 has verified the 2007 drilling, sampling and assay results reported in this release. A QAQC program was implemented during the drilling program and blanks and certified material (standards) were incorporated to the regular samples. The QAQC program was considered satisfactory by the QP.

The 2020 drilling program and its two-hole results are described above under "ONGOING WORK DURING THE QUARTER AND TO DATE"

### **Courville**

Pursuant to an option agreement dated April 30, 2005, the Company acquired a 100% interest in certain mineral claims in Courville Township, Quebec (the "Courville Property"), from a company controlled by common management. To acquire the interest, the Company issued to the vendor 1,000,000 common shares at a value of \$180,000 and was required to incur \$73,000 of expenditures (incurred by Wealth Minerals Ltd. ("Wealth"). The vendor will retain a 1.5% NSR.

On December 14, 2007, the Company entered into an option agreement with Wealth pursuant to which the Company granted Wealth the option to acquire up to an undivided 20% interest in the Courville Property by incurring expenditures on the property totaling \$375,000 by December 30, 2008 (additional 10% option not exercised). Wealth has earned a 10% interest in the property. The Company will retain a 1.5% NSR.

On August 21, 2019, the Company entered into an agreement with Wealth pursuant to which the Company granted Wealth a 0.5% NSR in exchange for its 10% interest in the property (see above), restoring the Company's 100% interest in the Courville property.

### **Refundable taxes**

At May 31, 2021, the Company has estimated that \$9,755 (August 31, 2020 - \$9,755) of refundable mining tax credits were receivable from the province of Quebec based on exploration expenditures incurred.

## **Risk Factors**

The Company is in the business of acquiring, exploring and, if warranted, developing and exploiting natural exploration and evaluation assets. Due to the nature of the Company's proposed business and the present stage of exploration of its exploration and evaluation assets, the following risk factors, among others, will apply:

***Mining Industry is Intensely Competitive:*** The Company's business is the acquisition and exploration of exploration and evaluation assets. The mining industry is intensely competitive and the Company will compete with other companies that have far greater resources.

***Resource Exploration and Development is Generally a Speculative Business:*** Resource exploration and development is a speculative business and involves a high degree of risk, including, among other things, unprofitable efforts resulting not only from the failure to discover resource deposits but from finding resource deposits which, though present, are insufficient in size to return a profit from production. The marketability of natural resources that August be acquired or discovered by the Company will be affected by numerous factors beyond the control of the Company. These factors include market fluctuations, the proximity and capacity of natural resource markets, government regulations, including regulations relating to prices, taxes, royalties, land use, importing and exporting of resources and environmental protection.

The exact effect of these factors cannot be accurately predicted, but the combination of these factors August result in the Company not receiving an adequate return on invested capital. The vast majority of exploration projects do not result in the discovery of commercially mineable deposits of ore.

***Fluctuation of Metal Prices:*** Even if commercial quantities of resource deposits are discovered by the Company, there is no guarantee that a profitable market will exist for the sale of the metals produced. Factors beyond the control of the Company August affect the marketability of any substances discovered. The prices of various metals have experienced significant movement over short periods of time, and are affected by numerous factors beyond the control of the Company, including international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods.

The supply of and demand for metals are affected by various factors, including political events, economic conditions and production costs in major producing regions. There can be no assurance that the price of any commodities will be such that any of the properties in which the Company has, or has the right to acquire, an interest August be mined at a profit.

***Permits and Licenses:*** The operations of the Company will require consents, approvals, licenses and/or permits from various governmental authorities. There can be no assurance that the Company will be able to obtain all necessary consents, approvals, licenses and permits that August be required to carry out exploration, development and mining operations at its projects.

***No Assurance of Profitability:*** The Company has no history of earnings and, due to the nature of its business, there can be no assurance that the Company will ever be profitable. The Company has not paid dividends on its shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Company is from the sale of its common shares or, possibly, from the sale or optioning of a portion of its interest in its exploration and evaluation assets.

Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that might be necessary to determine whether or not a commercially mineable deposit exists. While the Company may generate additional working capital through further equity offerings or through the sale or possible syndication of its property, there can be no assurance that any such funds will be available on favourable terms, or at

all. At present, it is impossible to determine what amounts of additional funds, if any, August be required. Failure to raise such additional capital could put the continued viability of the Company at risk.

***Uninsured or Uninsurable Risks:*** The Company may become subject to liability for pollution or hazards against which it cannot insure or against which it may elect not to insure where premium costs are disproportionate to the Company's perception of the relevant risks. The payment of such insurance premiums and of such liabilities would reduce the funds available for exploration and production activities.

***Government Regulation:*** Any exploration, development or mining operations carried on by the Company will be subject to government legislation, policies and controls relating to prospecting, development, production, environmental protection, mining taxes and labour standards. In addition, the profitability of any mining prospect is affected by the market for precious and/or base metals which is influenced by many factors including changing production costs, the supply and demand for metals, the rate of inflation, the inventory of metal producing corporations, the political environment and changes in international investment patterns.

***Environmental Matters:*** Existing and possible future environmental legislation, regulations and actions could cause significant expense, capital expenditures, restrictions and delays in the activities of the Company, the extent of which cannot be predicted and which August well be beyond the capacity of the Company to fund. The Company's right to exploit any mining properties is and will continue to be subject to various reporting requirements and to obtaining certain government approvals and there can be no assurance that such approvals, including environment approvals, will be obtained without inordinate delay or at all.

***Insufficient Financial Resources:*** The Company does not presently have sufficient financial resources to undertake by itself the exploration and development of any significant exploration and development programs. The development of the Company's property will therefore depend upon the Company's ability to obtain financing through the joint venturing of projects, private placement financing, public financing or other means. There can be no assurance that the Company will be successful in obtaining the required financing. Failure to raise the required funds could result in the Company losing, or being required to dispose of, its interest in its property. In particular, failure by the Company to raise the funding necessary to maintain in good standing the various option agreements it has entered into could result in the loss of the rights of the Company to such property. In addition, should the Company incur significant losses in future periods, it may be unable to continue as a going concern, and realization of assets and settlement of liabilities in other than the normal course of business August be at amounts significantly different from those reflected in its current financial statements. The Company estimates that it can continue operations, at a minimum, for the next twelve months, subject to successful financing efforts. At May 31, 2021, the Company had cash of \$597,548.

In recent months and weeks, worldwide securities markets, particularly those in the United States and Canada, have experienced a high level of price and volume volatility, and the market price of securities of some companies, particularly those considered exploration stage companies, have experienced declines in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. Therefore, there can be no assurance that significant fluctuations in the trading price of the Company's common shares will not occur, or that such fluctuations will not materially adversely impact on the Company's ability to raise equity funding without significant dilution to its existing shareholders, or at all.

***Dependence Upon Others and Key Personnel:*** The success of the Company's operations will depend upon numerous factors, many of which are beyond the Company's control, including (i) the ability to design and carry out appropriate exploration programs on its exploration and evaluation asset; (ii) the ability to produce resources from any resource deposits that August be located; (iii) the ability to attract and retain additional key personnel in exploration, marketing, mine development and finance; and (iv) the ability to obtain the operating resources to develop and maintain the property held by the Company. These and other factors will require the use of outside suppliers as well as the talents and efforts of the Company and its consultants and employees. There can be no assurance of success with any or all of these factors on which the Company's operations will depend, or that the Company will be successful in finding and retaining the necessary employees, personnel and/or consultants in order

to be able to successfully carry out such activities. This is especially true as the competition for qualified geological, technical and mining personnel and consultants is particularly intense in the current marketplace.

**Price Fluctuations and Share Price Volatility:** In recent months, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market price of securities of many companies, particularly those considered exploration stage companies, have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual and extreme fluctuations in price will not occur.

**Uncertainty of Resource Estimates/Reserves:** Unless otherwise indicated, mineralization figures presented in the Company's filings with securities regulatory authorities, press releases and other public statements that August be made from time to time are based upon estimates made by Company personnel and independent geologists. These estimates are imprecise and depend upon geological interpretation and statistical inferences drawn from drilling and sampling analysis, which August prove to be unreliable. There can be no assurance that:

- these estimates will be accurate;
- reserves, resource or other mineralization figures will be accurate; or
- this mineralization could be mined or processed profitably.

Because the Company has not commenced production at its property, and has not defined or delineated any proven or probable reserves on any of its properties, mineralization estimates for the Company's property August require adjustments or downward revisions based upon further exploration or development work or actual production experience. In addition, the grade of ore ultimately mined, if any, August differ from that indicated by drilling results. There can be no assurance that minerals recovered in small-scale tests will be duplicated in large-scale tests under on-site conditions or in production scale. The resource estimates contained in the Company's filings with securities regulatory authorities, press releases and other public statements that August be made from time to time have been determined and valued based on assumed future prices, cut-off grades and operating costs that August prove to be inaccurate. Extended declines in market prices for gold, silver, copper or other metals August render portions of the Company's mineralization uneconomic and result in reduced reported mineralization. Any material reductions in estimates of mineralization, or of the Company's ability to extract this mineralization, could have a material adverse effect on the Company's results of operations or financial condition.

The Company has not established the presence of any proven and probable reserves at its exploration and evaluation asset. There can be no assurance that subsequent testing or future studies will establish proven and probable reserves at the Company's exploration and evaluation asset. The failure to establish proven and probable reserves could restrict the Company's ability to successfully implement its strategies for long-term growth.

**Surface Rights and Access:** Although the Company acquires the rights to some or all of the resources in the ground subject to the tenures that it acquires, or has a right to acquire, in most cases it does not thereby acquire any rights to, or ownership of, the surface to the areas covered by its resource tenures. In such cases, applicable mining laws usually provide for rights of access to the surface for the purpose of carrying on mining activities, however, the enforcement of such rights can be costly and time consuming. In areas where there are no existing surface rights holders, this does not usually cause a problem, as there are no impediments to surface access. However, in areas where there are local populations or land owners, it is necessary, as a practical matter, to negotiate surface access. There can be no guarantee that, despite having the right of law to access the surface and carry on mining activities, the Company will be able to negotiate a satisfactory agreement with any such existing landowners/occupiers for such access, and therefore it August be unable to carry out mining activities. In addition, in circumstances where such access is denied, or no agreement can be reached, the Company August need to rely on the assistance of local officials or the courts in such jurisdiction.

**Title:** Although the Company has taken steps to verify the title to the exploration and evaluation asset in accordance with industry standards for the current stage of exploration of such property, these procedures do not guarantee title. Title to exploration and evaluation assets August be subject to unregistered prior agreements or transfers, and August also be affected by undetected defects or the rights of indigenous peoples.

## SELECTED FINANCIAL INFORMATION

Selected items only:	Three months ended May 31, 2021	Nine months ended May 31, 2021	August 31, 2020 Annual	August 31, 2019 Annual
<i>Statement of Comprehensive Loss Data</i>				
<b>Revenue</b>	\$ Nil	\$ Nil	\$ Nil	\$ Nil
<b>Expenses</b>				
Claims management	-	6,251	-	-
Consulting fees paid or accrued	51,000	172,349	205,260	204,808
Insurance	2,077	5,470	11,966	11,000
Shareholder communications	40,107	119,696	11,985	27,667
Professional fees	7,844	44,354	38,666	35,154
Share based payments	-	16,587	384,662	-
Transfer agent and filing fees	3,786	18,471	37,294	39,035
<b>Other items</b>				
Reversal of flow through premium	(117,470)	(301,265)	(183,795)	-
Write-off of exploration and evaluation assets	-	-	-	597,856
<b>Loss (income) and comprehensive loss</b>	<b>\$ (1,899)</b>	<b>\$ (124,182)</b>	<b>\$ (651,730)</b>	<b>\$ (938,907)</b>
<b>Loss per common share</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>	<b>\$ (0.01)</b>	<b>\$ (0.01)</b>

	May 31, 2021	August 31, 2020	August 31, 2019
<i>Statement of Financial Position Data</i>			
<b>Assets</b>			
Cash	\$ 597,548	\$ 2,159,075	\$ 12,134
Receivables	220,761	122,694	95,466
Prepaid expenses	8,804	2,749	3,567
Exploration and evaluation assets	3,317,174	2,253,046	1,916,641
<b>Liabilities / Equity</b>			
Current liabilities	355,122	744,577	212,796
Shareholders' equity	\$ 3,789,165	\$ 3,792,986	\$ 1,815,012
<b>Average shares outstanding</b>	<b>117,641,505</b>	<b>73,167,633</b>	<b>63,628,346</b>

### **Nine months ended May 31, 2021 compared to the nine-month period ended May 31, 2020**

During the period ended May 31, 2021, the Company had net loss of \$124,182 as compared to a net loss of \$188,213 for the same period in the prior year.

Consulting fees of \$172,349 (2020 - \$153,000) have been accrued consistent with the related contractual arrangements and related bonuses, but actual cash payments have been somewhat reduced to allow for exploration costs and other essential expenditures. Professional fees of \$44,354 (2020 - \$22,673), reflect the completion of \$2,500,000 of financing in August of 2020, our corporate name change, and the costs of completing those matters. Regulatory costs of \$18,471 (2020 - \$17,439) were consistent with the prior period, as were other administrative expense categories. Shareholder communications of \$119,696 (2020 – \$Nil) also reflects much more related activity concurrent with our financing success. Travel costs of \$16,751 (2019 - \$20,147) have remained commensurate with our overall business and exploration endeavors.

On September 3, 2020, the Company granted 600,000 share purchase options for a period of two years having a fair value of \$16,587.

Also, the Company recognized a reversal of a flow-through share liability of \$301,265 (2020 - \$36,657) based upon exploration expenditures incurred during the period.

### **Three months ended May 31, 2021 compared to the three-month period ended May 31, 2020**

During the quarter ended May 31, 2021, the Company had net income of \$1,899 as compared to a net loss of \$(58,413) for the same period in the prior year.

Consulting fees of \$51,000 (2020 - \$51,000) have been accrued consistent with the related contractual arrangements, but actual cash payments have been reduced to allow for exploration costs and other essential expenditures. Professional fees of \$7,844 (2020 - \$6,951), and regulatory costs of \$3,786 (2020 - \$4,526) were consistent with the prior period, as were most other administrative expense categories. Shareholder communications of \$40,107 (2020 – \$Nil) also reflects much more related activity concurrent with our earlier financing success.

Also, the Company recognized a reversal of a flow-through share liability of \$117,470 (2020 - \$25,544) based upon exploration expenditures incurred during the period.

## QUARTERLY FINANCIAL INFORMATION

The table below sets out the quarterly results for the past eight quarters:

	<u>May 2021</u>	<u>February 2021</u>	<u>November 2020</u>	<u>August 2020</u>
Revenues	\$ Nil	\$ Nil	\$ Nil	\$ Nil
Operating expenses	119,369	155,132	150,946	482,421
(Loss) income for the period	1,899	13,586	(135,869)	(463,517)
Loss per share	(0.0)	(0.0)	(0.0)	(0.01)

	<u>May 2020</u>	<u>February 2020</u>	<u>November 2019</u>	<u>August 2019</u>
Revenues	\$ Nil	\$ Nil	\$ Nil	\$ Nil
Operating expenses	83,957	74,837	66,075	88,932
Loss for the period	(58,413)	(63,725)	(66,075)	(88,932)
Loss per share	(0.0)	(0.0)	(0.0)	(0.0)

The variation seen over such quarters is primarily dependent upon the success of the Company's ongoing property evaluation and acquisition program and the timing and results of the Company's exploration activities on its current property, none of which are possible to predict with any accuracy. The variation in net loss can also be significantly affected by the timing of stock option grants and the resultant share-based payment charges, and impairment charges relating to exploration and evaluation assets.

## OFF – BALANCE SHEET ARRANGEMENTS

The Company has not entered into any significant off-balance sheet arrangements or commitments.

## RELATED PARTY TRANSACTIONS

The Company entered into the following transactions with related parties:

### Management compensation

The Company defines key management as its directors and officers. Key management personnel compensation comprised:

<b>Period ended May 31:</b>	<b>2021</b>	<b>2020</b>
Consulting fees paid to directors and officers	\$ 172,349	\$ 153,000
Due to related parties	291,224	321,588

Amounts due to related parties are owed to directors and officers and/or to companies controlled by them, are non-interest bearing, unsecured, with no specific terms of repayment.

## PROPOSED TRANSACTIONS

Although the Company is always open to investigating additional property acquisitions that might arise from time to time, as at the date of this MD&A the Company is focused on the exploration requirements of the Fecteau and Noyell Projects. The Company does not have any proposed transactions as of the date of the MD&A.

## CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in accordance with International Financial Reporting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. Accounts specifically requiring the use of management's best estimates and assumptions in determining the stated amounts related to deferred income taxes and the evaluation of fair value of exploration and evaluation assets. Management believes the estimates are reasonable; however, actual results could differ from those estimates and could impact future results of operations and cash flows.

## **IFRS ACCOUNTING POLICIES**

The significant accounting policies for the year are consistent with those disclosed in the audited annual financial statements for the year-ended August 31, 2020.

## **EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES**

Disclosure controls and procedures are controls and other procedures that are designed to provide reasonable assurance that all relevant information required to be disclosed in the Company's reports filed or submitted as part of the Company's continuous disclosure requirements is gathered and reported to senior management, including the Company's Chief Executive Officer and Chief Financial Officer, on a timely basis so that appropriate decisions can be made regarding public disclosure and such information can be recorded, processed, summarized and reported within the time periods specified by applicable regulatory authorities.

Management of the Company, with the participation of the Chief Executive Officer and the Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures as at August 31, 2020 as required by Canadian securities laws. Based on that evaluation, the Chief Executive Officer and the Chief Financial Officer, have concluded that, as of May 31, 2021, the disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in the Company's annual filings and interim filings (as such terms are defined under Multilateral Instrument 52-109 Certification of Disclosure in Issuer's Annual and Interim Filings) and other reports filed or submitted under Canadian securities laws is recorded, processed, summarized and reported within the time periods specified by those laws and that material information is accumulated and communicated to management of the Company, including the Chief Executive Officer and the Chief Financial Officer, as appropriate to allow for accurate disclosure to be made on a timely basis.

## **CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING**

There have not been any changes in our internal control over financial reporting or any other factors during the period ended May 31, 2021, that have materially affected, or are reasonably likely to materially affect our internal control over financial reporting.

## Financial instrument risk exposure and risk management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company considers the fluctuations of financial markets and seeks to minimize potential adverse effects on financial performance.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management process.

### (a) Credit risk

Credit risk is the risk of a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligation. The Company's exposure to credit risk includes cash and receivables. The Company manages credit risk, in respect of cash, by placing its cash with a major Canadian financial institution in accordance with the Company's investment policy. In regards to the receivables, the Company has a significant estimate of an amount due from governmental agencies, which based on past experience, has been both reasonable and collectible.

Concentration of credit risk exists with respect to the Company's cash as all amounts are held at a single major Canadian financial institution. The Company's concentration of credit risk and maximum exposure thereto is considered minimal. The maximum exposure to credit risk is equal to the fair value or carrying value of the financial assets.

### (b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in obtaining funds to meet commitments. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments. The Company is exposed to liquidity risk.

Liabilities at May 31, 2021, together with their expected payment were as follows:

	0 to 3 months	3 to 6 months	6 to 12 months	> 12 months	Total
Accounts payable and accrued liabilities	\$ 29,474	\$ 18,000	\$ -	\$ -	\$ 47,474

Liabilities at August 31, 2020, together with their expected payment were as follows:

	0 to 3 months	3 to 6 months	6 to 12 months	> 12 months	Total
Accounts payable and accrued liabilities	\$ 119,754	\$ 20,000	\$ -	\$ -	\$ 139,754

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and commodity price risk.

i. Interest rate risk

The Company has cash balances which earn interest subject to fluctuations in the prime rate. The Company's current policy is to invest excess cash in investment-grade demand deposit certificates issued by its banking institutions. Management believes that interest rate risk is remote. A 1% change in the interest rate would have no significant impact on interest income reported at May 31, 2021.

ii. Foreign currency risk

The Company is not exposed to foreign currency risk as all monetary assets and liabilities are denominated in Canadian currency.

iii. Commodity price risk

Commodity price risk is the risk that the fair or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company actively monitors commodity price changes and stock market prices to determine the appropriate course of action to be taken by the Company.

## SHARE DATA

As of the date of this report the number of common shares outstanding was 118,937,587.

Share purchase options outstanding as of the date of this report are as follows:

	Number of Options	Exercise Price	Weighted Average Expiry Contractual Life Date Remaining	
Granted June 29, 2016	300,000	\$ 0.20	June 29, 2021	0.08 years
Granted December 18, 2017	400,000	\$ 0.10	December 18, 2022	1.55 years
Granted August 12, 2020	4,350,000	\$ 0.10	August 12, 2025	4.20 years
Granted September 3, 2020	600,000	\$ 0.10	September 3, 2022	1.26 years
Balance	5,650,000			3.48 years

At August 31, 2020, the Company had outstanding share purchase options as follows:

	<b>Number of Options</b>	<b>Exercise Price</b>	<b>Weighted Average Expiry Date</b>	<b>Contractual Life Remaining</b>
Granted June 29, 2016	300,000	\$ 0.20	June 29, 2021	0.83 years
Granted December 18, 2017	400,000	\$ 0.10	December 18, 2022	2.30 years
Granted August 12, 2020	4,350,000	\$ 0.10	August 12, 2025	4.95 years
<b>Balance, August 31, 2020</b>	<b>5,050,000</b>			<b>4.50 years</b>

As of May 31, 2021, the following share purchase warrants were outstanding:

<b>Number of Warrants</b>	<b>Exercise Price</b>	<b>Expiry Date</b>	<b>Weighted Average Contractual Life Remaining</b>
576,000	\$ 0.07	December 30, 2021	0.58 years
35,000,000	\$ 0.07	August 12, 2023	2.20 years
1,696,000	\$ 0.07	July 31, 2022	1.17 years
395,000	\$ 0.07	August 7, 2022	1.19 years
<b>37,667,000</b>			<b>2.12 years</b>