FORAN
MINING CORPORATION

Management's Discussion and Analysis

For the three and nine months ended September 30, 2021 and 2020

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This Management's Discussion and Analysis ("**MD&A**") of the financial position and results of operations for Foran Mining Corporation (the "**Company**" or "**Foran**") should be read in conjunction with audited consolidated financial statements of the Company as at and for the year ended December 31, 2020 and unaudited condensed consolidated interim financial statements for the three and nine months ended September 30, 2021 and the related notes thereto, which have been prepared using accounting policies consistent with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards ("**IAS**") Board. For further information on the Company, reference should be made to its public filings on SEDAR at www.sedar.com or the Company's website at www.foranmining.com.

This MD&A is prepared by management and approved by the Board of Directors as of November 24, 2021. This discussion covers the three and nine months ended September 30, 2021 ("**Q3 2021**" or the "**Quarter**") and the subsequent period up to the date of issuance of this MD&A. All amounts are stated in Canadian dollars unless otherwise indicated.

This MD&A may contain forward-looking statements that reflect Management's current expectations with regards to future events. By their nature, these statements involve risk and uncertainties, many of which are beyond the Company's control. Actual results may differ materially from those expressed in such forward-looking statements. Readers are cautioned not to place undue reliance on these statements. 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.

NATURE OF BUSINESS

The Company was originally incorporated under the laws of British Columbia ("**BC**") on June 21, 1989. The Company is a reporting issuer in BC, Alberta, Ontario, New Brunswick, Nova Scotia and Newfoundland and Labrador. The Company's common shares are traded on the TSX Venture Exchange under the symbol "FOM". The Company's principal business activity is the acquisition, exploration and development of mineral properties with the objective of discovering mineral reserves and the development of an operating mine. The Company's flagship property is its 100% owned McIlvenna Bay property in Saskatchewan, Canada, 65 kilometres ("**km**") west of Flin Flon, Manitoba.

To date the Company has not generated any revenues.

OUTLOOK

Foran is presently in the feasibility stage for the McIlvenna Bay project ("**McIlvenna Bay**"). McIlvenna Bay is a Cu-Zn-Au-Ag rich volcanic hosted massive sulphide deposit intended to be the center of a new mining camp in a prolific district that has already been producing for 100 years.

Foran's goal is to build the first mine in Canada designed to be carbon neutral from day one of commercial production. Foran is committed to supporting a greener future and creating value for all stakeholders including creating safe jobs, supporting local communities as well as both preserving and enhancing the environment. These commitments are part of the Company's broader mission to create a blueprint for responsible mining that causes the least possible harm through the innovative use of technology and renewable energy. By offsetting the carbon emitted in the exploration phase, Foran aims to ensure that it accounts for the impact of the project over its entire lifecycle.

RECENT EVENTS AND DEVELOPMENTS

- On October 14, 2021, an updated mineral resource estimate for the Company's 100%-owned McIlvenna Bay Deposit was announced, including a 70% increase of indicated resources to 39.1 million tonnes ("Mt") at 1.20% copper ("**Cu**"), 2.16% zinc ("**Zn**"), 0.41 g/t gold ("**Au**") and 14 g/t silver ("**Ag**") or 2.04% copper equivalent ("**CuEq**").

- From January to September 2021, the Company completed a drill program of over 30,000 metres at its McIlvenna Bay, Balsam and Bigstone properties. The purpose of the program was to conduct infill and expansion drilling at the McIlvenna Bay deposit in support of its ongoing feasibility study and significantly enhance the economic value of the project, along with exploration drilling to identify potential satellite resources and grow the Bigstone deposit. During 2021, the Company issued several news releases regarding results of the drill program, which can be found on www.sedar.com and on the Company's website www.foranmining.com.

- On September 28, 2021, the Company announced the appointment of The Honorable Wayne G. Wouters to its Board of Directors. Mr. Wouters brings extensive experience, strategic insight and expertise to Foran, developed over his distinguished career in public service, including five years as Clerk of the Privy Council of Canada.

- On August 6, 2021, the Company completed a private placement with affiliates of Fairfax Financing Holdings Limited for gross proceeds of $100 million. The private placement resulted in the issue of 55,555,556 common shares of the Company, including 27,777,778 non-voting shares, and 16,000,000 share purchase warrants.

- On June 23, 2021, the Company announced the appointment of James Steels as its Chief Financial Officer. Mr. Steels is a corporate finance and capital markets professional in the metals and mining sector and specializes in valuations, risk management, financings, strategic initiatives, transaction structuring and equity investments.

- On March 24, 2021, the Company announced the appointment of Dr. Jean Rogers to its Board of Directors. Dr. Rogers is the founder and former CEO of the Sustainability Accounting Standards Board ("SASB").

- On February 2, 2021, the Company completed a brokered private placement of 30,665,000 common shares of the Company for gross proceeds of $25 million.

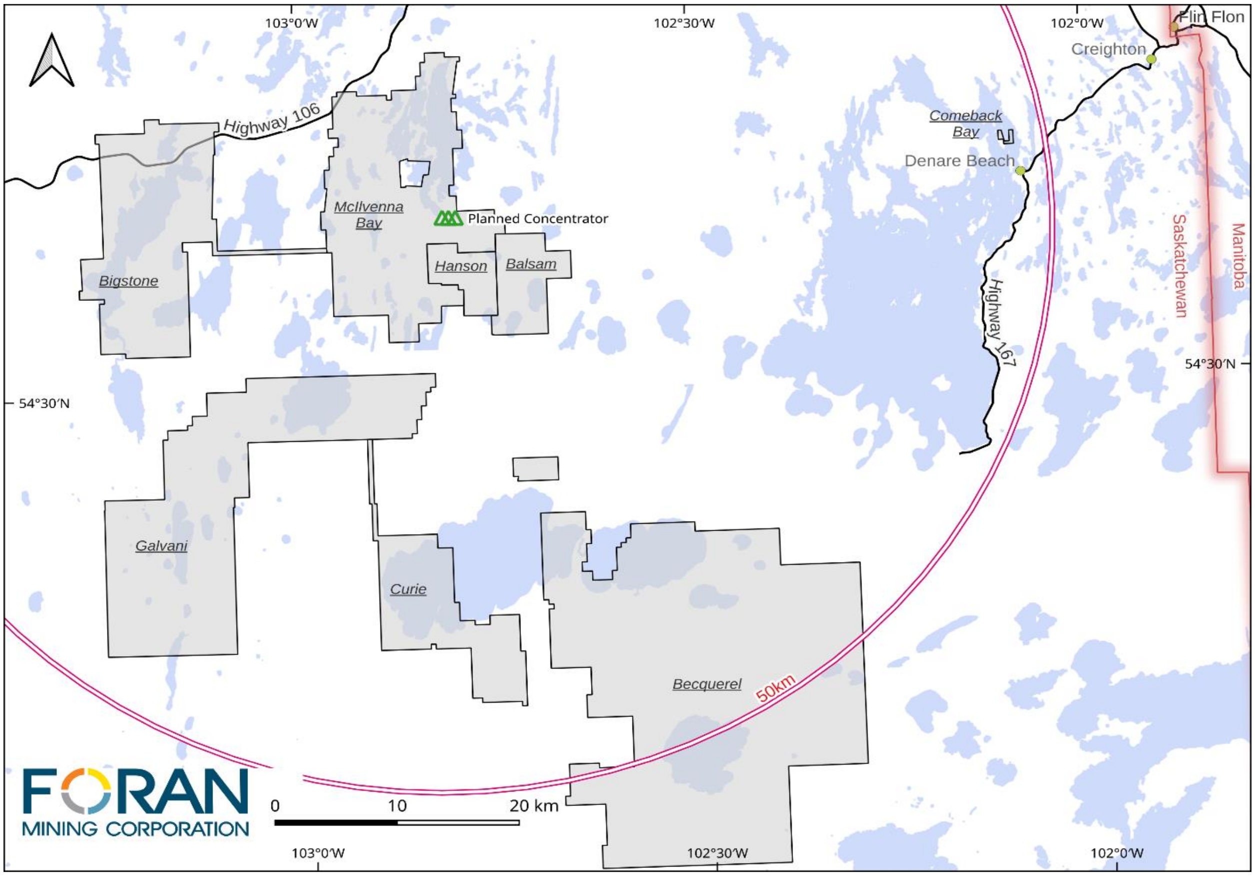
MINERAL PROPERTIES

As of the date of this MD&A, the Company has eight properties in Saskatchewan comprising a total of 96 mining claims covering approximately 147,184 hectares ("**ha**"), located between 15 and 102km west of Flin Flon, Manitoba. All tenements are within 63km of the proposed concentrator near the McIlvenna Bay deposit.

Four properties are higher priority, the McIlvenna Bay Property which contains the McIlvenna Bay deposit, and three adjacent properties Hanson, Balsam and Bigstone, all of which occur at the western limit of the Flin Flon Greenstone Belt. All four properties are underlain by prospective felsic volcanic stratigraphy that hosts variably significant volcanic-hosted massive sulphide ("**VHMS**") styles of alteration and mineralization. The Comeback Bay property, located in Saskatchewan, is of lower priority but has both precious and base metal VHMS potential within the western limit of the Flin Flon Arc Assemblage (Birch Lake Belt).

In June 2021, Foran acquired two additional properties (Galvani and Curie) through staking, which are located to the south of McIlvenna Bay and Bigstone. These prospective properties are both believed to be underlain by similar Flin Flon Greenstone Belt geology that underlies the existing properties to the north.

In October 2021 the Galvani and Curie properties were expanded and an eighth property, Becquerel, was added to Foran's ground holding, all by staking.



Further details on the Company's significant properties are as follows:

1) **McIlvenna Bay Property**

The Company has a 100% interest in the McIlvenna Bay Property in east central Saskatchewan. The McIlvenna Bay Property consists of 38 claims covering a total of 20,907 ha. The McIlvenna Bay deposit is located on the McIlvenna Bay Property, approximately one km south of Hanson Lake, Saskatchewan, 375km northeast of Saskatoon, Saskatchewan and 65km west south-west of Flin Flon, Manitoba. The McIlvenna Bay deposit is linked to Flin Flon, Manitoba by 85km of highway followed by 18km of unsealed secondary road.

The McIlvenna Bay deposit was discovered in 1988 and includes two distinct styles of VHMS mineralization which include massive to semi-massive sulphides and copper stockwork. Since 2011, the Company has been working to advance the McIlvenna Bay deposit through continued exploration, resource definition and environmental and engineering studies.

Some of the claims that make up the McIlvenna Bay Property are subject to a Net Tonnage Royalty of $0.75 per tonne of ore extracted, with the Company holding a right of first refusal if an offer to purchase the Net Tonnage Royalty is made.

Cameco Corporation and BHP Billiton collectively hold a 1% Net Smelter Return royalty interest on McIlvenna Bay, which can be repurchased by the Company at any time for $1 million.

The claims that comprise the McIlvenna Bay Property are in good standing for periods between 10 and 22 years.

A pre-feasibility study of the McIlvenna Bay project was announced in March 2020. The results include a $219.0 million pre-tax NPV using a 7.5% discount rate ($147.0 million after-tax) and an IRR of 23.4% (19.2% after-tax) using 3 year trailing average metal prices of US$1.26 per lb Zn, US$2.82/lb Cu, US$1,312/oz Au and US$16.30/oz Ag, and a foreign exchange rate of CAD:USD $1.30 / USD:CAD $0.77. For more detail on the pre-feasibility study, please refer to the NI 43-101 Technical Report on the Company's webpage at www.foranmining.com.

2021 Activity

On October 14, 2021, the Company announced an updated mineral resource estimate ("2021 Resource Estimate"), outlining a 70% increase in indicated resources to 39.1 million tonnes ("Mt") with inferred resources totaling 5.0Mt. The updated resource estimate incorporates over 25,000m of infill and expansion drilling in 36 holes which were completed since the previous resource estimate was published in 2019.

The 2021 Resource Estimate is summarized as below (US$60/t NSR cut-off)[1-5]:

Zone	Tonnage (Mt)	NSR ($US)	Cu (%)	Zn (%)	Pb (%)	Au (g/t)	Ag (g/t)	CuEq (%)
INDICATED								
Main Lens Massive Sulphide	10.8	199	1.01	6.17	0.41	0.53	27	3.13
Lens 3	2.6	113	0.82	3.07	0.14	0.25	15	1.80
Stringer Zone	1.2	119	1.26	0.52	0.07	0.31	13	1.53
Copper Stockwork Zone	22.7	127	1.31	0.38	0.02	0.37	9	1.60
Copper Stockwork Footwall Zone	1.8	141	1.42	0.59	0.04	0.45	9	1.79
TOTAL INDICATED	**39.1**	**146**	**1.20**	**2.16**	**0.14**	**0.41**	**14**	**2.04**

Zone	Tonnage (Mt)	NSR ($US)	Cu (%)	Zn (%)	Pb (%)	Au (g/t)	Ag (g/t)	CuEq (%)
INFERRED								
Main Lens Massive Sulphide	1.6	163	0.65	6.51	0.46	0.29	28	2.66
Copper Stockwork Zone	3.5	106	1.08	0.79	0.03	0.25	11	1.37
TOTAL INFERRED	**5.0**	**123**	**0.94**	**2.56**	**0.17**	**0.27**	**16**	**1.77**

[1] Effective date September 6, 2021; CIM definitions were followed for Mineral Resources; CuEq = copper equivalent; NSR = Net Smelter Return. Totals may not add due to rounding.
[2] The base case mineral resource is estimated based on 240 diamond drill holes and a NSR cut-off value of US$60/t. NSR value was calculated using Cu, Zn, Au, Ag and high-grade caps were applied and include provisions for metallurgical recovery and estimates of current shipping terms and smelter rates for similar concentrates. Metal prices used are US$4.25/lb. Cu, US$1.35/lb. Zn, US$1,800/oz. Au, and US$25.00/oz. Ag, versus US$3.30/lb. Cu, US$1.25/lb. Zn, US$1,310/oz. Au and US$16.20/oz. Ag, used for the previous resource estimate in 2019. Specific gravity was interpolated for each block based on measurements taken from core specimens, with an average value of 3.59 for the main Massive Sulphide ("MS") lens and 2.87 for the Copper Stockwork Zone
[3] Mr. William J. Lewis, P.Geo., of Micon, has reviewed and verified this mineral resource estimate. Mr. Lewis is independent of Foran and is a "Qualified Person" within the meaning of NI 43-101.
[4] Mineral resources which are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, marketing or other issues. Due to the uncertainty which may attach to inferred mineral resources, it cannot be assumed that all or any part of an inferred mineral resource will be upgraded to an indicated or measured mineral resource as a result of continued exploration.
[5] CuEq values were calculated from the NSR values for each zone using both concentrate and recovery curves that were developed during Pre-Feasibility level metallurgical studies.

2) Bigstone

The Company has a 100% interest in the Bigstone Property, which is comprised of 13 claims totalling 16,117 hectares oriented north-south to cover roughly 20km of prospective volcanic stratigraphy. Some of the claims that comprise the Bigstone Property are subject to a 2% NSR Royalty. The claims are in good standing for a period of between 8 and 22 years.

On December 7, 2020, the Company announced an initial NI 43-101 compliant resource at Bigstone. This represents the second NI 43-101 compliant resource defined by Foran within the Hanson Lake District and could be an important contributor to a long-life mining camp that could be developed in the region. Indicated resources are estimated at 1.98Mt grading 2.22% CuEq and inferred resources are estimated at 1.88Mt grading 2.14% CuEq. On January 21, 2021, the Company filed the independent NI 43-101 technical report titled "*Technical Report on the Bigstone Project, East Central Saskatchewan, Canada*" and is available on the Company's website www.foranmining.com or under the Company's profile on SEDAR at www.sedar.com.

OVERALL PERFORMANCE

SELECTED FINANCIAL INFORMATION

Expressed in thousands of Canadian dollars	September 30, 2021	December 31, 2020
Cash and cash equivalents	$ 102,547	$ 1,050
Plant and equipment	2,038	219
Exploration and evaluation assets	63,615	40,605
Total assets	170,634	42,175
Accounts payable and accrued liabilities	5,641	276
Deferred share units	2,725	710
Total liabilities	10,144	1,040

The Company's total assets as at September 30, 2021 were $170.6 million compared to $42.2 million as at December 31, 2020, an increase of $128.4 million. The increase in assets as explained below:

- Cash and cash equivalents: The increase from December 31, 2020 relates to the two private placements during 2021, consisting of $25 million in February and $100.0 million in August the net proceeds of these private placements were partially offset by exploration and evaluation expenditures.

- Exploration and evaluation assets: The increase from December 31, 2020 was as a result of the Company's 2021 exploration program on its McIlvenna Bay property. The most significant costs were drilling costs of $8.1 million and feasibility costs of $3.9 million

- Plant and equipment: The increase from December 31, 2020 relates primarily to acquisition of certain accommodation and power facilities at the McIlvenna Bay property.

The Company's total liabilities as at September 30, 2021 were $10.1 million compared to $1.0 million as at December 31, 2020, an increase of $9.1 million. The increase in liabilities as explained below:

- Accounts payable and accrued liabilities: The increase from December 31, 2020 was as a result of the Company's increased level of exploration activity at the McIlvenna Bay property.

- Deferred share units liability: The increase from December 31, 2020 was primarily due to the appreciation of the Company's share price during 2021. Deferred share units ("**DSUs**") are related to the company's Long-Term Performance Incentive Plan ("**LTIP**"), which includes DSUs as one of the awards. Awards are initially recognized using the market value of the Company's common shares that best represents the period for which the awards were earned, with the corresponding liability recorded upon recognition. At each period end, the liability is subsequently revalued using the market value of the Company's common shares, while the corresponding increase or decrease associated with the revaluation is recorded to the statement of comprehensive loss. Participants can, at their election, receive either the equivalent number of common shares in the Company, or the cash equivalent of the fair market value of the DSUs based on a 5-day volume weighted average closing price of the Company's shares.

RESULTS OF OPERATIONS

Expressed in thousands of Canadian dollars	Three months ended September 30, 2021	2020	Nine months ended September 30, 2021	2020
Consulting	$ 193	$ 10	592	$ 61
Depreciation – plant and equipment	92	10	128	34
Depreciation – right-of-use asset	131	25	180	74
Directors' fees	15	10	40	38
Investor relations	127	5	299	39
Office and administration	132	9	254	60
Professional fees	340	8	769	50
Salaries and benefits	194	64	1,002	296
Share-based payments expense	1,006	25	1,953	126
Total general and administration	$ 2,230	$ 166	5,217	$ 778
Interest and miscellaneous	(19)	-	(47)	(12)
Flow-through share premium	(1,453)	-	(4,309)	-
Revaluation of deferred share units	(190)	184	2,006	(186)
Total other (income) expenses	(1,662)	184	(2,350)	(198)

Three months ended September 30, 2021:

Details of the expenses and other items are as follows:

- Share based payments expense: The Company applies the fair value method of accounting for all awards of stock options by using the Black-Scholes Option Pricing Model. Variations in share-based payments expense are expected and are based on a number of factors including, but not limited to, the size and occurrence of grants during a particular period, the Company's share price at the time of an option grant and the timing of recording share-based payments expense based on vesting schedules. During the three months ended September 30, 2021, the Company granted 300,000 stock options (2020: 100,000) with a weighted average exercise price of $2.06 (2020: $0.15).

- Professional fees: The increase in professional fees were primarily related to increased investment banking services and environmental advisory fees.

- Consulting fees: The increase in consulting fees were primarily related to fees paid in deferred share units to the Company's CEO who joined the Company in the fourth quarter of 2020.

- Flow through share premium recovery: Qualifying flow-through expenditures of $5.0 million during the three months ended September 30, 2021 reduced the flow-through share premium liability by $1.5 million which was recorded in the condensed consolidated interim statement of loss.

  Under IFRS, when a Company issues flow-through shares, the Company allocates the flow-through Share into i) share capital, and ii) a flow-through share premium, equal to the estimated premium if any, investors pay for the flow-through feature, which is recognized as a liability. Upon incurring qualifying expenditures, the Company reduces the liability and recognizes the corresponding amount in other income. At the end of a period, the flow-through share premium liability consists of the portion of the original premium on flow-through shares related to the portion of qualifying exploration expenditures that have not yet been incurred.

  In relation to the Company's private placement on February 2, 2021, the Company issued flow-through shares at $0.915 per share and non-flow-through shares at $0.65 per share. A flow-through share premium liability of $5.1 million was calculated by multiplying the 19,126,000 flow-through shares issued by the difference in issue prices.

- Revaluation of deferred shared units: The unrealized gain recognized on the deferred shared units was a result of the Company's stock decreasing from $2.29 per share on June 30, 2021, to $2.13 per share on September 30, 2021.

Nine months ended September 30, 2021:

Details of the expenses and other items are as follows:

- Share based payments reserve: During the nine months ended September 30, 2021, the Company granted 4,325,000 stock options (2020: 1,620,000) with a weighted average exercise price of $1.18 (2020: $0.09).

- Professional fees: The increase professional fees were primarily related to the increase in investment banking services, environmental advisory and legal fees.

- Consulting fees: The increase in consulting fees were primarily related to fees paid to the Company's CEO in deferred share units who joined the Company in the fourth quarter of 2020.

- Flow through share premium recovery: Qualifying flow-through expenditures of $14.9 million during the nine months ended September 30, 2021 reduced the flow-through share premium liability by $4.3 million, which was recorded in the condensed consolidated interim statement of loss.

- Revaluation of deferred shared units: The unrealized loss recognized on the deferred share units was a result of the Company's stock increasing from $0.58 per share on December 31, 2020, to $2.13 per share on September 30, 2021.

SUMMARY OF QUARTERLY RESULTS

The following table summarizes selected unaudited financial data for the last eight quarters which have been derived from the financial records of the Company. With the exception of Q1, 2020 (net income of $69 thousand), the Company's operating results for the last eight quarters ranged from a net loss of $0.3 million in Q2, 2020 to a net loss of $1.5 million in Q4, 2020.

The Company has increased its activity significantly since November 2020 and is in the midst of a feasibility study on its McIlvenna Bay deposit. Consequently, net losses for periods subsequent to Q3, 2020 are higher than their comparative quarters.

(Expressed in thousands of Canadian dollars, except share and per-share information)	Q3, 2021	Q2, 2021	Q1, 2021	Q4, 2020
General and administration expenses	2,230	1,645	1,342	425
Other (income) and expenses	(1,662)	(230)	(458)	1,048
Net loss for the period	568	1,415	884	1,473
Net loss per share (basic and diluted)	0.00	0.01	0.01	0.01
Weight average shares outstanding (basic)	214,732,894	180,603,066	168,649,358	142,650,998

(Expressed in thousands of Canadian dollars, except share information)	Q3, 2020	Q2, 2020	Q1, 2020	Q4, 2019
General and administration expenses	166	235	377	447
Other (income) and expenses	184	64	(446)	108
Net loss (income) for the period	350	299	(69)	555
Net loss (income) per share (basic and diluted)	0.00	0.00	(0.00)	0.00
Weight average shares outstanding (basic)	139,939,451	137,754,836	132,412,308	130,130,973

CASH FLOWS

Three months ended September 30, 2021:

Cash and cash equivalents increased by $87.0 million during the three months ended September 30, 2021, from $15.6 million at June 30, 2021 to $102.6 million at September 30, 2021. The increase was primarily a result of cash of $99.9 million provided by financing activities.

The cash of $0.1 million provided by operating activities consisted of the net loss of $0.6 million and items not involving cash of $0.4 million, offset by a net change in non-cash working capital items of $1.1 million.

The cash of $13.1 million used in investing activities consisted of exploration and evaluation asset expenditures of $11.9 million and the purchase of plant and equipment of $1.2 million.

The cash of $99.9 million provided by financing activities consisted of cash received from a private placement with certain entities controlled by Fairfax Financial Holdings Limited of $100.0 million.

Nine months ended September 30, 2021:

Cash and cash equivalents increased by $101.5 million during the nine months ended September 30, 2021, from $1.1 million at December 31, 2020 to $102.6 million at September 30, 2021. The increase was primarily a result of cash of $123.5 million provided by financing activities.

The cash of $1.1 million used by operating activities consisted of the net loss of $2.9 million, partially offset by items not involving cash of $0.7 million and a net change in non-cash working capital items of $1.1 million.

The cash of $20.9 million used in investing activities consisted of exploration and evaluation asset expenditures of $19.4 million and the purchase of plant and equipment of $1.5 million.

The cash of $123.5 million provided by financing activities consisted of cash received from private placements totaling $125 million, partially offset by share issuance costs.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has in place a planning and budgeting process to determine the funds required to support the Company's operating requirements as well as its planned capital expenditures. The Company manages its financial resources to ensure that there is sufficient working capital to fund near term planned exploration work and operating expenditures. The Company has considerable discretion to reduce or increase plans or budgets depending on current or projected liquidity. If appropriate, the Company could seek joint venture partners in order to fund or share the funding of its exploration properties to minimize shareholder risk.

The Company does not currently own or have an interest in any producing mineral properties and does not derive any revenues from operations. Operational activities have been funded through private placements and stock option and warrant exercises. At September 30, 2021, the Company had working capital of $93.8 million (December 31, 2020: $0.08 million).

The Company is authorized to issue an unlimited number of common shares, non-voting common shares and preference shares with no par value.

The rights, privileges, restrictions and conditions of the non-voting common shares are identical to those of the common shares, except that the non-voting shares will not entitle the holder thereof to vote at a shareholder meeting and that the non-voting shares may be converted, at the option of the holder, on a one-to-one basis into common shares. Once a non-voting share is converted into a common share, it shall have all the rights and privileges that attach to the common shares.

The subscription agreement entered into between the Company and affiliates of Fairfax Financial Holdings Limited (collectively, "**Fairfax**") contains certain restrictions on the conversion of the 27,777,778 non-voting shares held by Fairfax. Such non-voting shares can only be converted to voting common shares upon a change of control event or upon disposal of the non-voting shares by Fairfax.

On February 2, 2021, the Company completed a non-brokered private placement financing totaling 30,665,000 common shares for gross proceeds of $25.0 million. The Company issued 11,539,000 common shares at a price of $0.65 per share for gross proceeds of $7.5 million and 19,126,000 common shares on a flow-through basis at a price of $0.915 per flow-through share for gross proceeds of $17.5 million.

As a result of subscribers paying a premium for the flow-through shares, the Company allocated $5.1 million of the gross proceeds of the flow-through shares to the flow-through share premium and the remaining $12.4 million to share capital. Share issue costs totaled $1.6 million. The net proceeds from the private placement have largely been spent advancing the McIlvenna Bay project.

On August 6, 2021, the Company completed a $100.0 million private placement with certain entities controlled by Fairfax Financial Holdings Limited (the "**Fairfax Placement**"). The Fairfax Placement consisted of 27,777,778 voting common share units of the Company at a price of $1.80 per common share unit, for gross proceeds of $50.0 million, with each unit compromised of one voting common share and 0.288 of a warrant to purchase an aggregate 8,000,000 additional voting common shares at an exercise price of $2.09 expiring on August 6, 2026. The Fairfax Placement also consisted of 27,777,778 non-voting common share units at a price of $1.80 per non-voting common share unit for gross proceeds of $50.0 million, with each unit compromised of one non-voting common share and 0.288 of a warrant to purchase an aggregate of 8,000,000 additional voting common shares at an exercise price of $2.09 per common share, expiring on August 6, 2026. Share issue costs total $0.2 million.

The net proceeds from the Fairfax Placement will be used to rapidly advance the development of the McIlvenna Bay project, further exploration in the Hanson Lake district and for general corporate purposes.

The anticipated use of the proceeds of the Offering as described below is based on the best estimates prepared by management of the Company. The Company's project is evolving and not all of the development steps and associated costs are established at this time. In addition, there may be circumstances where, for sound business reasons, a reallocation of the funds may be necessary. The Company will update the use of the funds and the particular application of these funds in future management's discussion and analysis.

Expressed in thousands of Canadian dollars		Anticipated use of net proceeds		Expenditures to September 30, 2021		Remaining as at September 30, 2021
Development	$	80,000	$	-	$	80,000
Exploration		15,000		-		15,000
Corporate administration		4,767		-		4,767
Total expenditure	$	99,767	$	-	$	99,767

The Company has no bank debt or banking credit facilities in place. While the Company has been successful in securing financing to date, there can be no assurances that it will be able to do so in the future, therefore, a material uncertainty exists that may cast significant doubt about the Company's ability to continue as a going concern.

OFF-BALANCE SHEET ARRANGEMENTS

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

RELATED PARTY TRANSACTIONS

The Company's related party transactions for the three and nine months ended September 30, 2021 were as follows:

Expressed in thousands of Canadian dollars		Three months ended September 30,				Nine months ended September 30,		
		2021		2020		2021		2020
Short-term benefits(1)	$	120	$	76	$	942	$	353
Directors' fees(2)		15		10		40		38
Consulting fees(3)		96		-		341		-
Office rent		-		-		7		4
Share-based payments(4)		962		18		1,713		108
Total	$	1,193	$	104	$	3,043	$	503

(1) Short-term benefits consisted of salaries and bonuses for key management personnel, some of which have been capitalized to exploration and evaluation assets.

(2) Directors' fees consisted exclusively of DSUs awarded to the independent directors

(3) Consulting fees consisted of fees paid to Myerson Holdings AG, a company controlled by the CEO, in the form of DSU's and fees to payable to the Executive Director.

(4) Share-based payments consisted of the fair value of stock options that had been granted to key management personnel, some of which have been capitalized to exploration and evaluation assets.

SHARE CAPITAL

As at the date of this MD&A, the Company had the following securities issued and outstanding:

- 209,767,920 voting common shares
- 27,777,778 non-voting common shares
- 13,834,001 shares issuable on exercise of stock options
- 25,144,285 shares issuable on exercise of warrants
- 1,308,374 shares issuable on realization of deferred shares units

PROPOSED TRANSACTIONS

As of the date of this MD&A, there were no proposed transactions.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The accompanied condensed consolidated interim financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2020. The same accounting policies are used in the preparation of the accompanied condensed consolidated interim financial statements as those applied in the most recent annual audited consolidated financial statements of the Company, with the following additional policy:

> *Flow-through share private placements:* As an incentive to complete private placements, the Company may issue common shares, which by agreement are designated as flow-through shares. Such agreements require the Company to spend the funds from these placements on qualified exploration expenditures and renounce the expenditures and income tax benefits to the flow-through shareholders, resulting in no exploration deductions for tax purposes to the Company. The shares are usually issued at a premium to the trading price of the Company's shares. The premium is a reflection of the value of the income tax benefits that the Company must pass on to the flow-through shareholders. On issue, share capital is increased only by the non-flow-through share equivalent value. Any premium is recorded as a flow-through share premium liability which is reversed into the consolidated statement of comprehensive loss as other income when the eligible expenditures are incurred

In preparing the accompanied condensed consolidated interim financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ. All estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognized in the period in which the estimates are revised and in any future periods affected. Information about critical judgements and estimates in applying accounting policies that have the most significant effect on amounts recognized in the consolidated financial statements are the same as those described in the consolidated annual financial statements for the year ended December 31, 2020.

FINANCIAL INSTRUMENTS

The Company's financial instruments are exposed to certain financial risks which are discussed in detail in Note 10 of the Company's condensed consolidated interim financial statements for the three and nine months ended September 30, 2021.

RISKS AND UNCERTAINTIES

GOING CONCERN RISK

The principal risk faced in the advanced exploration stage is the ability to raise the funds required to further assess the viability of a mineral deposit. This phase requires high expenditures to determine if a deposit may be profitable to mine. The Company does not operate any producing properties and as such, is dependent on the ability to raise funds. Although the Company believes it has sufficient access to financial markets to support its intended work plan, failure to do so would result in future work being suspended. While the Company has been successful in securing financing to date, there can be no assurances that it will be able to do so in the future. These uncertainties may cast significant doubt about the Company's ability to continue as a going concern.

FINANCIAL INSTRUMENTS RISK

Financial assets and liabilities consist of cash and cash equivalents, accounts receivable, investments, accounts payable and accrued liabilities and deferred share units. It is Management's opinion that the Company is not exposed to significant interest or credit risks arising from these financial assets and liabilities.

ENVIRONMENTAL AND PERMITTING RISK

The Company's activities involve the application for licenses and permits from government authorities and such activities are governed by various laws and regulations that cover the protection of the environment, land use, exploration, development, co-ordination of operations and infrastructure with third parties engaged in other activities on the lands, taxes, labour standards, occupational health, waste disposal, safety and other matters. Environmental legislation in Canada provides restrictions and prohibitions on spills and various substances produced in association with certain exploration activities which would result in environmental pollution. A breach of such legislation may result in imposition of fines and penalties. In addition, certain types of activities require the submission and approval of environmental impact statements. Environmental legislation is evolving in a direction of higher standards and enforcement, and higher fines and penalties for non-compliance. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of future operations.

The Company believes that it is in compliance with all material laws and regulations which currently apply to its activities. There can be no absolute assurance, however, that all permits which the Company may require for exploration activities and land use will be obtainable on reasonable terms or on a timely basis, or that such laws and regulations will not have an adverse effect on any exploration projects that the Company may undertake.

EXPLORATION RISK

Mineral exploration involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations within the Company will be subject to all the hazards and risks normally incidental to exploration, development and production of minerals, any of which could result in work stoppages, damage to property, and possible environmental damage. Unusual or unexpected formations, formation pressures, fires, power outages, labour disruption, impaired access to site, legal or regulatory changes, flooding, explosions, cave-ins, landslides, weather conditions and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in extraction operations and the conduct of exploration programs. The Company's exploration activities will be subject to the availability of third-party contractors and equipment. There are also physical risks to the exploration personnel. If any of the Company's properties are found to have commercial quantities of mineralization, the Company could be subject to additional risks respecting any development and production activities.

All of the properties in which the Company has an interest are in the exploration stage. Development of these mineral properties will only follow upon obtaining satisfactory exploration results, receipt of positive engineering studies, access to adequate funding, community support and all necessary permits, licenses and approvals. Mineral exploration and development involve a high degree of risk and few properties which are explored are ultimately developed into producing mines. Substantial expenditures are required to develop the mining and processing facilities and the infrastructure at any site chosen for mining. The Company has not completed a feasibility study on any of its properties and there is no assurance that these mineral exploration and development activities will result in any discoveries of commercial mineral deposits. The long-term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors beyond the Company's control.

COMMODITY PRICE RISK

Factors beyond the control of the Company may affect the market price of minerals produced and the marketability of any ore or minerals discovered at and extracted from the Company's properties. Metal prices are subject to significant fluctuation and are affected by numerous factors beyond the Company's control including international economic, financial and political events, global or regional supply and demand patterns and speculative activities. The effect of these factors on the Company's operations cannot accurately be predicted.

LIQUIDITY OF COMMON SHARES

There can be no assurance that an active and liquid market for the Company's common shares will continue to exist, and investors may find it difficult to resell their common shares. In addition, trading in the common shares of the Company may be halted from time to time.

GLOBAL PANDEMIC RISK (COVID-19)

In March 2020, the World Health Organization declared the spread of a coronavirus COVID-19 a global pandemic. This ongoing contagious disease outbreak has adversely affected workforces, economies, and financial markets globally, leading to an economic downturn. While the full impact of COVID-19 on the global economy is uncertain, continued rapid spread of COVID-19 may have an adverse effect on the Company's financing capabilities. The extent to which COVID-19 may impact the Company’s business will depend on future developments such as the geographic spread of the disease, the duration of the outbreak, travel restrictions and social distancing, business closures or business disruptions, and the effectiveness of actions taken in Canada, the United States and other countries to contain and treat the disease. Although it is not possible to reliably estimate the length or severity of these developments and their financial impact, this could have a further significant adverse impact on the Company's financial position and results of operations for future periods.

QUALIFIED PERSON

Mr. Roger March, P.Geo., Senior Geoscientist for the Company and a Qualified Person within the meaning of NI 43-101, has reviewed and approved the technical information in this section of the MD&A.