



STUHINI

EXPLORATION

**STUHINI EXPLORATION LTD.
MANAGEMENT DISCUSSION AND
ANALYSIS FOR
THE NINE MONTHS ENDED
NOVEMBER 30, 2020**

INTRODUCTION

The following Management Discussion and Analysis (“MD&A”) of Stuhini Exploration Ltd. (the “Company” or “Stuhini”), has been prepared by management, in accordance with the requirements of National Instrument 51-102 *Continuous Disclosure Obligations*, as of January 29, 2021, and should be read in conjunction with unaudited condensed interim financial statements for the three and nine months ended November 30, 2020, and the related notes contained therein which have been prepared under International Financial Reporting Standards (“IFRS”). The information contained herein is not a substitute for detailed investigation or analysis on any particular issue.

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

FORWARD-LOOKING STATEMENTS

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

Risks related to the rapid expansion of the COVID-19 pandemic

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

COMPANY OVERVIEW

Background

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

The Company is engaged in the acquisition and exploration of mineral properties and as of the date of this MD&A holds options on two road accessible mineral properties: an option to acquire a 100% interest in the Ruby Creek Property located in northwestern BC approximately 20 kilometres (“km”) east of the town of Atlin, and an option to acquire a 100% interest in the Que Property located approximately 70 km north of Johnson’s Crossing in south-central Yukon. The Company does not have any assets or mineral properties that are in production.

Key Events for the Quarter Ended November 30, 2020, and up to the date of this MD&A

Exploration activities at the Que and the Ruby Creek Properties

During the summer of 2020, the Company successfully completed a SkyTEM airborne geophysical survey on both the Que Property and the Ruby Creek Property which commenced in late May 2020. The geophysical survey was conducted on selected portions of the Ruby Creek and Que Properties. The final survey consisted of approximately 1,400 line-kilometres (“lkm”) of which 425 lkm were flown at the Que Property and 975 lkm were flown at the Ruby Creek Property.

Following the SkyTEM survey a significant portion of the 2020 summer exploration program consisted of follow-up and ground-truthing priority geophysical targets generated as a result of the SkyTEM report, which was received at the end of July, to aid in identifying exploration targets for future drilling.

As a result of the SkyTEM survey and the compilation and review of historic exploration data, the Company’s geologists identified three high priority silver targets at the Ruby Creek Property. Additionally, a new granite-hosted copper mineral discovery was identified close to the northeastern Ruby Creek Property boundary, therefore the Company staked additional land to provide a buffer around the discovery. A total of 619.38 hectares were staked along the northeastern portion of the Ruby Creek Property increasing its size from 26,735 hectares to 27,354 hectares. The cost incurred by the Company as a result of this staking was \$1,084.

In June 2020, the Company carried out a shallow early stage 2-hole diamond drill program at the Que Property (the “Drill Program”). The drill targets were chosen based both on road accessibility and on data interpretation of the SkyTEM geophysical survey. No significant mineralization was found in either hole.

Amendment to the Option to Acquire the Que Property

Upon receipt of the assays from the Drill Program, the Company decided to begin renegotiating the Amended Que Option Agreement. On October 26, 2020, the Company finalized the renegotiation of the Amended Que Option Agreement. The Que Option Agreement, as renegotiated (the “Que Amendment 2”), provides for a revised option exercise payment schedule comprised of cash payments reduced from \$280,000 to \$95,000 and a reduction of Common Shares to be issued from 2,950,000 to 937,500 over a 5-year period. Under the Que Amendment 2, the issuance of 50,000 Common Shares to the vendor by April 1, 2021, is the only committed payment over the next 12 months. There are no work commitments. The balance of the Common Share issuances and the cash payments are all at the Company’s election should it wish to maintain the Que Option after April 1, 2021.

Sale of Metla Property

On August 24, 2020, the Company entered into an agreement (the “Purchase Agreement”) for the sale of 100% of its interest in the Metla Property to Brixton Metals Corporation (“Brixton”). The Purchase Agreement was subject to Exchange acceptance for filing, which the Company received on October 1, 2020. Pursuant to the Purchase Agreement, Stuhini received 1,200,000 common shares of Brixton (the “Payment Shares”), which were initially valued at \$408,000 (based on the fair market value of the Brixton shares on October 10, 2020, being \$0.34 per share) and \$42,000 in cash. Once the cash and shares were received, Stuhini immediately transferred title of the Metla Property claims to Brixton. In lieu of the \$42,000 cash portion of the Purchase Agreement, the Company agreed to refund Brixton the \$42,000 it originally paid for the Metla Reclamation Bond. The Purchase Agreement transaction resulted in a loss of \$10,051.

Following the sale, the Company retains a 1.0% net smelter returns royalty on the Metla Property.

Resignation of Directors and appointment of VP exploration

On January 18, 2021, The Company’s Board of Directors appointed Ehsan Salmabadi, P. Geo., as the Company’s Vice President Exploration.

Mr. Salmabadi has worked in the mining industry since 2007 and has a broad base of previous experience in not only exploration but also mine development and operation. Mr. Salmabadi began his career working for exploration companies and decided to move to a mine setting to expand his breadth of knowledge. He served as an Underground Mine Geologist, then Senior Geologist at North American Tungsten Corp. at the Cantung Mine in the Northwest Territories, Canada where he was involved in increasing mineral resources, reserve development, and long-range planning. Since then, Mr. Salmabadi has taken his mining and exploration experience and applied it as a consultant to exploration projects in Canada and the United States. Mr. Salmabadi holds a B.Sc. in geology from the University of British Columbia and is registered as a Professional Geologist (P.Geo.) with the Engineers and Geoscientists of BC. He is concurrently completing his M.Sc. in geology at the University of British Columbia.

Concurrently with appointment of Mr. Salmabadi, the Company's Board of Directors appointed Paul Zyla and Bruce Ballantyne to the Advisory Board, and accepted the resignation of James Dawson, who has stepped down from the Advisory Board but has agreed to continue to assist the Company as a consultant on an as-needed basis.

Mr. Ballantyne has had a distinguished career of over 46 years starting in 1974, with the Geological Survey of Canada, as a well-known member of the Mineral Resources Division, where he specialized in Applied Exploration Geochemistry. In 1977 Mr. Ballantyne was responsible for the development and initiation of the National Geochemical Reconnaissance Stream Sediment surveys in the Canadian Cordillera and as a guest speaker has presented his research on a variety of deposits nationally and internationally. During follow-up Atlin based research work he advised all levels of exploration companies and individuals including Homestake Mining, Placer Dome, and the Hughes-Lang Group's Cream Silver. In 1984 Mr. Ballantyne was invited to present results of his studies of the unique specialized granite (Surprise Lake Batholith) and related skarn "wrigglite" styles of mineralization at the UN sponsored International Tin Conference in the Peoples Republic of China. This geologic setting is directly relevant to Stuhini claim holdings. Since 1996 he has consulted to junior and mid-tier mineral exploration companies including Starfield Resources Inc. where he was an integral part of the successful exploration and development of resources at the Ferguson Lake copper-nickel-cobalt-platinum group metal deposit in Nunavut, Canada. Most recently, Mr. Ballantyne served as Project Manager for Jaxon Minerals Inc. as they advanced their Red Springs Project in northwestern BC. Mr. Ballantyne holds a B.Sc. from the University of Guelph, Ontario.

Mr. Zyla was born and raised in Toronto, Canada and holds a B.Sc. in Math, Physics and Chemistry from the University of Toronto. Upon graduation he was hired by IBM and trained in Systems Engineering. In the early 1980's Mr. Zyla became a director of a mineral exploration company whose board included David Bell who had just recently made the Hemlo gold discovery in northwestern Ontario. Over the ensuing years Mr. Zyla and David Bell worked on several projects in various parts of the world including Switzerland, the Republic of Cuba, Brazil, Peru, and, most recently, Ghana, West Africa. Mr. Zyla has served in capacities as Director, President and Chairman of public companies over the years. In 1992, he as Chairman and David Bell as President formed CaribGold Resources Inc. to explore for gold in the Republic of Cuba raising about \$12-million and taking the company public on the Toronto Stock Exchange. In 2011 he was asked to become President of Xtra-Gold Resources Corp. which at the time traded on the US Pink Sheets. The objective was to list the company on a Canadian Exchange and Mr. Zyla accomplished getting the company financed and listed on the Toronto Stock Exchange where it currently trades under the symbol XTG.

Grant of Stock Options

On January 18, 2021, the Company granted stock options (the "Options") for an aggregate of 625,000 Common Shares at an exercise price of \$0.50 per share to the Company's directors, officers, and consultants under its 10% rolling stock option plan. The Options expire on July 18, 2023 and vest in stages of 25% every three months.

EXPLORATION PROPERTIES

As of the date of this MD&A the Company's interests in exploration and evaluation assets consist of an option to acquire a 100% interest in the Ruby Creek Property, and an option to acquire a 100% interest in the Que Property.

Ruby Creek Property

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

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

The following table shows the continuity of the Ruby Creek Option payments:

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

Upon exercise of the Ruby Creek Option, Global Drilling would be entitled to a 1% net smelter returns royalty on the Ruby Creek Property.

Ruby Creek Property Acquisition and Exploration Costs

	November 30, 2020	February 29, 2020
Balance, beginning of period	\$ 259,195	\$ -
Option payments	-	248,000
Mineral tenure/lease payments	53,908	8,085
Sub-total, acquisition costs	53,908	256,085
Deferred exploration expenditures		
Assaying	76,249	-
Camp and travel	67,049	-
Equipment use/rental	146,008	-
Geology	487,976	3,110
Sub-total, deferred exploration expenditures	777,282	3,110
Balance, end of period	\$ 1,090,385	\$ 259,195

The Ruby Creek Property is 27,354 hectares in size, is road accessible and located within the Atlin Mining Division, 20 km from Atlin. The Ruby Creek Property consists of 50 contiguous mineral claims of which one is a mining lease. There are 48 different documented mineral occurrences on the Property, of which 16 are gold-related, with five gold placer creeks, four of which were still actively being mined during the summer of 2019. The Company does not own or have an option on the placer rights for these placer streams on the tenures since in British Columbia placer rights are a different tenure than hard rock mineral rights. However, the Company does have the hard rock rights which would be relevant should bedrock lode-gold or other minerals be discovered under the existing placer creeks or elsewhere on the Ruby Creek Property. The Ruby Creek Property also hosts the Ruby Creek Moly resource (also known as the Adanac molybdenum deposit or resource) which, using a 0.04% Molybdenum (“Mo”) cut-off grade, has a historic measured and indicated mineral resource of 275.4 million tonnes at 0.067% Mo containing 407.9 million lbs of molybdenum. The historic Ruby

Creek Molybdenum resource estimate was prepared by K. Palmer of Golder Associates in a report dated May 28, 2009, titled Ruby Creek Molybdenum Project in Northern British Columbia, Canada. The resource estimate was established using 338 drill holes with a combined length of approximately 69,200 m and 21,651 assay samples. A Qualified Person as defined in National Instrument 43-101 (“QP”) has not done sufficient work to classify the historical estimate as a current mineral resource or mineral reserve. The Company has not verified the historical resource estimates and therefore is not treating nor relying on the historical estimates as a current mineral resource or mineral reserve. The Company currently does not plan to conduct any work to verify the historical resource estimate.

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

2020 EXPLORATION ACTIVITIES

During the 2020 field season, exploration on the Ruby Creek Property consisted of a 975 line-km SkyTEM airborne geophysical survey that was flown in the spring on selected portions of the Property. This was followed by a large-scale exploration program that included property-wide reconnaissance prospecting, sampling and mapping as well as more focussed exploration on selected targets identified in the historic data compilation completed over the winter of 2020 and the SkyTEM airborne geophysics. The crew varied over the field season and included 16 different geologists, prospectors and contractors. The initial exploration occurred at lower elevations and moved to higher ground as the winter snowpack melted. A total of 1,186 rock samples and 850 soil samples were collected over the field season.

The Ruby Creek Property has been divided into different targets and the various targets are summarized below starting with the areas that were worked on first. Assay results are pending for much of the work completed in the later part of the field season and will be released once they are received and compiled. Note that rock grab samples are selective by nature and values reported may not represent the true grade or style of mineralization.

Boulder Creek: So far, the highest gold values from the 2020 program came from Quartz Creek, a tributary of Boulder Creek. Eleven (11) float samples of sub-rounded quartz vein material were collected. Some of the samples had visible fine-grained gold and silver. Assays from five of these samples varied from 2.4 to 78.6 grams per tonne (“g/t”) gold and 37 to 1,282 g/t silver. Metallic screening showed significant gold concentration in the plus fraction (>150 mesh). Although all the samples were from float, they are believed to be reasonably close to source. The Boulder Creek area is considered a high priority target as it is located on one of the five major placer gold creeks located in the Atlin Gold Camp. It is also an extension of the Otter Creek fault where in 2016 and 2018, lode gold had been discovered in graphitic, quartz-rich phyllite beneath the Otter Creek placers.

Silver Diamond: The Silver Diamond is a skarn target with a strong airborne electromagnetic and magnetic signature. Channel sampling from the skarn included 22-metres of 34 g/t silver, 0.27 % copper, 1.88 % zinc, 0.17 % WO₃ and included 3.5 metres of 116.8 g/t silver, 11.55% zinc, 0.28% copper and 0.11% lead. Ten (10) metres west of the channel sample, additional skarn mineralization was identified with grab samples assaying up to 1.22 g/t gold, 0.46% copper, 64.1 g/t silver and 0.25% tungsten oxide.

Lakeview: Five (5) samples were taken from the historic Lakeview vein located in the south-central area of the Ruby Creek Property. Assays varied from 0.22 to 1.27 g/t gold, 2.5 to 7.0 g/t silver and 3 to 508 ppm lead. This area was also followed up with more sampling later in the season, and assays results are pending.

Copper Valley: Ten (10) samples were taken from a skarn identified in Copper Valley, a tributary of Ruby Creek. Assays range from 1.9 to 154.5 g/t silver, 0.06 to 1.28 % copper, 7 to 5,244 ppm lead, 0.28 to 7.71 % zinc, and up to 0.38 % tungsten.

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

The Atlin Ruffner silver mine was an intermittent producer from 1916 to 1981, with an average grade of 0.42 g/t gold, 267 g/t silver and 5% combined lead-zinc. Historic unclassified reserves from the two zones from which underground

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

During the 2020 exploration program Company geologists identified and confirmed numerous zones with Atlin Ruffner style mineralization to the south and east of the historic Atlin Ruffner mine including the Brenda, Wheelbarrow, Vulcan, Wolf, Wallis, and Hopeful prospects.

The highlights are summarized as follows:

- 119 rock samples collected with 46 samples assaying greater than 25 g/t silver
- 13 samples assaying greater than 400 g/t silver
- 2,370 g/t silver from sample #1893100
- 10.0 g/t gold, 783 g/t silver and over 10% lead from sample #1869659
- 5.8% Copper, 422 g/t silver and 1.22 g/t gold from sample #1892686
- 14.8% zinc, 173 g/t silver and 2.6 g/t gold from sample #1997463

A total of 119 outcrop and felsenmeer samples were collected from Ruffner Target. The table below summarizes some of the more noteworthy assays:

Sample	Sample Type	Ag (g/t)	Au (g/t)	Cu (%)	Pb (%)	Zn (%)
1893100	Felsenmeer	2370	0.56	0.10	2.92	0.3
1997475	Felsenmeer	1558	1.15	0.05	>10	5.43
1996081	Felsenmeer	1069	0.31	0.04	>10	0.06
1869665	Chip (historic trench)	941	0.17	0.90	1.17	0.27
1996294	Felsenmeer	902	0.30	0.92	2.94	1.72
1996299	Felsenmeer	897	0.29	0.05	6.54	3.61
1869659	Grab (historic trench)	783	10.0	0.70	>10	0.13
1996070	Felsenmeer	626	0.32	0.21	0.08	0.03
1996090	Felsenmeer	492	0.32	1.42	0.77	0.68
1996295	Felsenmeer	488	0.08	2.00	0.23	0.04
1996270	Felsenmeer	484	2.46	0.13	5.4	1.12
1892686	Grab (historic trench)	422	1.22	5.83	1.47	0.06
1996293	Felsenmeer	407	0.30	0.43	0.09	0.01
1997463	Felsenmeer	173	2.60	0.12	1.94	14.76

The highest-grade silver sample (#1893100) was collected from a preferentially eroding E-NE trending structure, northeast of the Ruffner Silver Mine complex. The highest-grade gold sample (#1869569) assayed 10.0 g/t gold and 783 g/t silver. Sample #1996081 was collected approximately 750 metres W-SW of, and on strike with the historic Wheelbarrow showing. Results included assays of up to 5.8% copper, >10% lead and 14.76% zinc with 34 samples greater than 1,000 ppm copper, 55 samples greater than 1,000 ppm lead and 59 samples greater than 1,000 ppm zinc.

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

A total of 134 rock samples and 54 infill soil samples were collected in the northeastern part of the target area. The soil samples, which followed up on results from a 2017 program, overlay the contact between SLB and the Cache Creek terrane with multiple samples returning anomalous silver, copper, lead, zinc, bismuth, antimony and weakly anomalous gold.

Mineralization is composed of quartz-carbonate veins and breccias with galena, sphalerite, arsenopyrite and lesser pyrite and chalcopyrite. The highest-grade silver sample (5,681 g/t silver) was collected from the Moly Lake area near the northwestern margin of the historic proposed Adanac molybdenum pit. The highest-grade gold sample (6.1 g/t gold, 227 g/t silver and 0.46% copper) was a chip sample from the Moly Lake area taken across a massive sulphide quartz vein hosted within diorite. Results also included assays of up to 7.31% copper, 12.4 % zinc, 3.75% tungsten and >10% lead with 11 samples assaying greater than 10% lead.

The table below summarizes some of the more noteworthy samples collected from the Adera Corridor.

Sample ID	Sample Type	Ag g/t	Au g/t	Pb %	Zn %	Cu %
1996383	Felsenmeer	5681	0.39	>10	0.58	0.35
1869950	Felsenmeer	4994	0.11	68.10	1.59	0.06
1478140	Felsenmeer	4229	0.20	61.26	0.02	0.04
1996275	Felsenmeer	3776	0.75	13.07	1.90	0.16
1478143	Felsenmeer	2833	0.27	43.66	0.35	0.08
1996256	Subcrop	2825	0.90	5.35	0.46	0.14
1478141	Felsenmeer	2777	0.36	34.65	0.12	0.07
1478144	Felsenmeer	2293	0.29	35.85	1.12	0.09
1996483	Felsenmeer	1991	0.18	>10	0.64	0.09
1893419	Felsenmeer	1582	0.15	28.33	12.39	0.44
1478142	Felsenmeer	1359	0.16	24.20	0.26	0.08
1996487	Subcrop	1301	0.18	3.39	0.28	0.19
1996424	Felsenmeer	1111	2.37	7.75	7.53	0.22
1905365	Felsenmeer	808	1.71	3.32	0.10	3.18
1893436	Felsenmeer	740	0.20	>10	11.76	0.28
1905380	Subcrop	722	0.79	1.00	0.02	0.03
1996265	Subcrop	646	0.10	5.56	0.06	0.07
1893429	Outcrop	474	2.07	0.04	0.07	7.31
1996387	Felsenmeer	377	0.78	1.10	0.01	0.11
1996482	Felsenmeer	262	0.31	0.79	0.00	0.01
1905379	Outcrop	227	6.10	4.00	9.62	0.46
1996262	Subcrop	226	0.41	0.10	0.03	0.27
1869557	Outcrop	204	1.04	1.76	0.01	0.26
1996254	Felsenmeer	196	0.03	0.11	0.13	0.00
1893432	Outcrop	195	0.24	0.69	0.41	0.08
1996252	Subcrop	180	0.14	0.26	0.16	0.13
1869559	Outcrop	178	0.90	1.52	0.03	0.13
1996489	Subcrop	171	0.06	1.08	0.04	0.03
1893435	Subcrop	159	0.10	0.72	0.58	0.00
1892646	Outcrop	158	4.45	3.56	5.77	0.21
1869567	Outcrop	154	0.33	0.42	0.97	0.00

Daybreak Area: During the 2019 exploration program, the crew spent one day attempting to locate some trenches that reportedly contained high-grade silver (Assessment Report #26920, personal communication, William Wallis, prospector). An early snowfall and poor weather hampered the attempt to find the trenches; however, surface samples taken in the area were anomalous in silver with 9 of 19 samples assaying greater than 10 g/t. The samples are also anomalous in copper, lead, zinc, arsenic, antimony, and bismuth. One sample, described as being a light green and grey skarn boulder with quartz veining, assayed 477 g/t of silver, 1.6 g/t gold, 0.10% copper, and 0.2% lead. In 2020, many of the trenches were found and additional rock and soil samples were collected while mapping. Results are pending.

Northeastern Area: a new zone of copper mineralization was discovered proximal to the northeastern boundary of the tenures. On surface, the zone appears to cover an area of approximately 5 metres by 10 metres and is comprised of mineralized sheeted quartz vein stringers hosted in a gossanous, coarse-grained granite. The quartz vein stringers are <5mm in width and have weak to moderate sericitic alteration envelopes with minor chalcopyrite and tetrahedrite. Weak sericitic alteration is also observed outside the exposure and a small patch of potassic alteration was found north of the showing across the valley. Results are pending.

As the mineralization was nearing the Ruby Creek Property's boundary, the Company staked additional claims covering a total of 619.38 hectares along the northeastern portion of the tenures increasing the size of the Ruby Creek Property from 26,735 hectares to 27,354 hectares.

Ruby Creek Property Commitments

The Ruby Creek Property consists of 50 mineral claims (excluding the mineral lease that comprises part of the Ruby Creek Property) which were staked at different times resulting in different work commitments for each claim. As of the date of the filing of this MD&A, the mineral claims that comprise the Ruby Creek Property are in good standing until February 28, 2021. Based on the date the claims were staked and their respective sizes, the total annual work commitment for Ruby Creek Property is approximately \$332,924. The Company anticipates that the 2020/21 exploration season has surpassed the minimum work commitment required to keep the mineral claims in good standing.

In addition to the work commitments required on the mineral claims, the mineral lease included as part of the Ruby Creek Property is subject to an annual flat fee lease payment of \$49,320 with no work requirement, which the Company paid in March of 2020, renewing the lease until March 27, 2021.

In order to continue exploration of the Ruby Creek Property, during the third quarter of its Fiscal 2021 year, the Company was required to purchase a \$20,000 reclamation bond in connection with the Ruby Creek Property.

QUE PROPERTY

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

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

Date	Amended Que Option Agreement		Que Amendment 2	
	Common Shares	Cash Payment	Common Shares	Cash Payment
April 1, 2020 (shares issued)	200,000	\$ -	200,000	\$ -
1st Anniversary of Approval	300,000	-	50,000	-
2nd Anniversary of Approval	450,000	-	75,000	-
3rd Anniversary of Approval	500,000	140,000	112,500	-
4th Anniversary of Approval	1,500,000	240,000	125,000	\$35,000
5th Anniversary of Approval	-	-	375,000	60,000
Total	2,950,000	\$ 380,000	937,500	\$95,000

Upon exercise of the Que Option, the Que Vendors would jointly be entitled to a 1% net smelter returns royalty on the Que Property.

Que Property Acquisition and Exploration Costs

	November 30, 2020
Balance, beginning of period	\$ -
Option payments	28,000
Professional fees	6,165
Sub-total, acquisition costs	34,165
Deferred exploration expenditures	
Assaying	16,555
Camp and travel	3,013
Drilling	47,000
Equipment use/rental	1,470
Geology	106,000
Sub-total, deferred exploration expenditures	174,038
Balance, end of period	\$ 208,203

Property Location and General Description

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

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

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

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

2020 Exploration Activities

In May and June 2020, the Company conducted a SkyTEM airborne geophysical program on selected portions of the Que Property. The survey consisted of approximately 425 line-km. Company consulting geophysicist Todd Ballantyne has reviewed and compiled results from the geophysical survey and a detailed report on this program was received from SkyTEM in mid-July 2020. Based on the preliminary findings, the Company carried out an inexpensive shallow 2-hole

diamond drill program at its Camp Gossan target on the Que Property. The drill targets were chosen due to road accessibility and based upon geophysical anomalies generated from preliminary data interpretation of the SkyTEM geophysical program. The drill program was completed and the results from Bureau Veritas assay lab were received and showed no significant mineralization.

Que Property Commitments

In the Yukon, quartz (hard-rock) claims must be maintained in good standing with the Department of Energy, Mines and Resources. Quartz claims expire one year after the recording date. To keep a claim in good standing, the Company is required to carry out an assessment work (also known as “representation work”) for a minimum of \$100 per claim. The assessment work must be applied to the quartz claim in the year it is completed by filing the assessment work report before the claim’s anniversary of the recording date. In case where the assessment work will result in more than \$100 spent, the remaining value can be applied to the future years (not to exceed 5 years). If the representation work on a claim is not done, the Company can choose to pay a fee of \$105 per claim instead.

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

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

METLA PROPERTY

Acquisition of the Metla Property

On July 7, 2017, the Company entered into a Purchase and Sale Agreement (the “Metla Agreement”) with Barry Hanslit, the Company’s major shareholder, whereby Mr. Hanslit sold the Company a 100% undivided interest in the Metla Property along with all information, core samples, logs, data, documents, maps, and other documentation in exchange for 883,333 Common Shares at a deemed value of \$53,000.

On August 24, 2020, the Company entered into a Purchase Agreement for the sale of 100% of its interest in the Metla Property to Brixton in exchange for 1,200,000 common shares of Brixton and \$42,000 in cash. In addition, the Company retained a 1.0% net smelter returns royalty on the Metla Property. The Purchase Agreement was subject to acceptance for filing by the Exchange which was received on October 1, 2020.

As at August 24, 2020, the Metla Property was carried at \$409,134 on the Company’s statement of financial position as follows:

	August 24, 2020
Acquisition costs	\$ 53,255
Deferred exploration expenditures	
Assaying	13,054
Camp and travel	104,608
Equipment use/rental	51,625
Exploration tax credit	(53,007)
Geology	239,599
Sub-total, deferred exploration expenditures	355,879
Balance, end of period	\$ 409,134

In lieu of the \$42,000 cash portion of the Metla Purchase Agreement, the Company agreed to refund Brixton the \$42,000 it originally paid for the Metla Reclamation Bond. The Company received the refund of the Metla

Reclamation Bond subsequent to November 30, 2020, at which time the Company refunded Brixton the cash component included as part of the Metla Purchase Agreement.

At closing of the sales transaction, the Company valued 1,200,000 shares it received from Brixton at \$408,000 (based on the fair market value of the Brixton common shares on October 10, 2020, being \$0.34 per common share). Once the cash and shares were received, Stuhini immediately transferred title of the Metla claims to Brixton. The Company recorded \$8,917 in additional costs required to sell the Metla Property, therefore the transaction resulted in a loss of \$10,051.

Following the sale, the Company retains a 1.0% net smelter returns royalty on the Metla Property.

Qualified Person

Andrew L. Wilkins B.Sc., P.Geo., co-author of the Technical Report on the Metla Property, is the Qualified Person as defined by NI 43-101 and has approved all technical information contained herein.

SELECTED FINANCIAL INFORMATION

	Nine months ended November 30, 2020	Year ended February 29, 2020
Net and comprehensive loss	\$ 320,050	\$ 431,487
Loss per share – basic and diluted	\$ 0.02	\$ 0.04
Total assets	\$ 2,843,962	\$ 1,699,948

RESULTS OF OPERATIONS

During the nine-month period ended November 30, 2020, the Company recorded a net loss and comprehensive loss of \$320,050 as compared to net loss and comprehensive loss of \$298,108 for the nine-month period ended November 30, 2019.

Increased operating activities, share-based compensation associated with vesting of options to acquire Common Shares the Company granted to its management and consultants during its fiscal 2019 and 2020, advertising and promotional expenses, regulatory and filing fees, as well as office expenses had the largest contribution to overall increases in the business expenses the Company incurred during the nine-month period ended November 30, 2020, as opposed to the comparative period ended November 30, 2019.

The largest expense item that contributed to the net loss was associated with \$111,064 in share-based compensation recognized on vesting of options to acquire Common Shares the Company granted to its management and consultants during its fiscal 2019 and 2020. During the comparative nine-month period ended November 30, 2019, the share-based compensation was determined to be \$55,667, resulting in an increase of \$55,397. In addition, the Company incurred \$42,817 in advertising and promotion expenses, which increased by \$27,206 from \$15,611 the Company incurred during the nine-month period ended November 30, 2019. The increase in advertising and promotion fees was associated with the Company's efforts to increase shareholder awareness through exhibiting at the Prospectors and Developers Association of Canada Conference in Toronto ("PDAC"), paying for the news release dissemination services and printing materials to be used in the Company's investor outreach programs.

During the nine-month period ended November 30, 2020, the Company recorded \$29,366 in regulatory and filing fees, a \$3,977 increase as compared to \$25,389 the Company incurred in regulatory fees during the nine-month period ended November 30, 2019. The Company's office expenses increased by \$2,321 to \$8,544 as compared to \$6,223 incurred during the nine-month period ended November 30, 2019.

During the nine-month period ended November 30, 2020, the Company recorded \$19,933 in project investigation costs, mainly associated with the Que Property incurred prior to the Company receiving TSX-V acceptance for filing as well as costs associated with investigation of other claims with potential interest to the Company,



resulting in a \$59,025 decrease as compared to \$78,958 the Company incurred during the nine-month period ended November 30, 2019. In addition, the Company recorded \$48,770 in professional fees associated with legal, audit, and accounting services for the nine-month period ended November 30, 2020, a decrease of \$29,596 as compared to \$78,366 the Company incurred during the nine months ended November 30, 2019. The Company recorded \$30,433 in consulting fees, which remained in-line with \$30,619 in consulting fees the Company incurred during the nine-month period ended November 30, 2019.

The above operating expenses were offset by \$35,000 reversal of a flow-through premium the Company recognized in its fiscal 2020 associated with the Flow-Through share financing the Company closed on December 20, 2019, and by \$15,000 gain we recognized on forgiveness of debt with a related party.

Other items also include a \$10,051 loss on sale of Metla Property, which resulted from a decrease in fair market value of 1,200,000 Brixton common shares the Company received as consideration for the Metla Property from \$0.36 on the date of the signing of the Metla Agreement to \$0.34 on October 10, 2020, the Effective Date of the Metla Agreement. Furthermore, the Company recognized \$66,000 loss on equity investments as the fair market value of Brixton common shares decreased to \$0.285 at November 30, 2020.

The Company's total assets increased by \$1,144,014, or 67%, which resulted from the \$121,837 increase in cash balances following the closing of the August Offering, \$630,259 increase in exploration and evaluation assets as a result of the 2020/21 summer exploration programs on the Ruby Creek and the Que Properties, and \$342,000 the Company recognized as fair market value of its marketable securities represented by 1,200,000 Brixton common shares.

SUMMARY OF QUARTERLY RESULTS

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

Period ended:	Net and comprehensive loss	Loss per share; basic and diluted
November 30, 2020	\$ 113,897	\$ 0.01
August 31, 2020	\$ 100,946	\$ 0.01
May 31, 2020	\$ 105,207	\$ 0.01
February 29, 2020	\$ 133,379	\$ 0.01
November 30, 2019	\$ 158,531	\$ 0.01
August 31, 2019	\$ 98,497	\$ 0.01
May 31, 2019	\$ 41,080	\$ 0.01
February 28, 2019	\$ 64,262	\$ 0.01

During the quarter ended November 30, 2020, the Company recorded a net loss of \$113,897, which was comprised of: \$5,726 in share-based compensation associated with vested portion of the options granted to the Company's officers, directors and consultants to acquire up to 1,025,000 of the Company's Common Shares; \$2,110 the Company incurred in project investigation costs which were mainly associated with consulting fees associated with exploration and project investigation, and exploratory work done on other prospective claims; \$21,243 in professional fees; \$9,112 in consulting fees; \$3,155 in regulatory and filing fees; and \$9,113 in advertising and promotion expenses mainly associated with the Company's efforts to raise awareness about the Company and its operations. The Company's net loss was in part decreased by \$15,000 gain on forgiveness of debt associated with project management fees the Company recorded as due to a related party. During the quarter ended November 30, 2020, the Company recognized a \$10,051 loss on the sale of its Metla Property, and \$66,000 unrealized loss on revaluation of the Company's investment in Brixton common shares.

During the quarter ended August 31, 2020, the Company recorded a net loss of \$100,946, which was comprised of: \$54,652 in share-based compensation associated with vested portion of the options granted to the Company's officers, directors and consultants to acquire up to 1,025,000 of the Company's Common Shares; \$8,823 the Company incurred in project investigation costs which were mainly associated with consulting fees associated with exploration and project investigation, and exploratory work done on other prospective claims; \$12,809 in professional fees; \$12,390 in consulting fees; \$15,164 in regulatory and filing fees; and \$11,569 in advertising and promotion

expenses mainly associated with the Company's efforts to raise awareness about the Company and its operations. The Company's net loss was in part decreased by \$19,856 reversal of a flow-through premium the Company recognized on the flow-through Common Shares issued on December 20, 2019.

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

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

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

During the quarter ended August 31, 2019, the Company recorded a net loss of \$98,497. The largest expense item that contributed to the net loss related to \$38,539 the Company incurred in project investigation costs which were in part associated with the Option Agreement to acquire the Ruby Creek Property, and in part with investigating other potential property acquisitions. During the same period the Company incurred \$13,447 in regulatory and filing fees associated with the filing of the Company's year-end financial statements as well as other regulatory filing requirements, \$13,522 in share-based compensation associated with vested portion of the options to acquire the Company's Common Shares, and \$12,761 in professional fees. In addition, the Company recorded \$12,211 in consulting fees incurred with the Company's CEO and Corporate Secretary, both of whose billable services commenced upon completion of the IPO.

During the quarter ended May 31, 2019, the Company recorded a net loss of \$41,080. The largest expense item that contributed to the net loss related to \$15,589 that the Company incurred in professional fees associated with the IPO and TSX-V listing process. During the same period, the Company incurred \$8,674 in advertising and promotion expenses mainly associated with the Company exhibiting at PDAC, and \$4,493 in regulatory fees.

During the quarter ended February 28, 2019, the Company recorded a net loss of \$64,262. The largest expense item that contributed to the net loss related to \$33,281 that the Company incurred in professional fees associated with the IPO and TSX-V listing process. During the same period, the Company incurred \$11,625 in regulatory fees for the filing of its preliminary prospectus and NI 43-101 technical report in connection with the IPO and \$16,557 in share-based compensation associated with the options to acquire up to 400,000 of the Company's Common Shares.

LIQUIDITY AND CAPITAL RESOURCES

	November 30, 2020	February 29, 2020
Working capital	\$ 1,507,274	\$ 871,799
Deficit	\$ 966,532	\$ 658,071

As at November 30, 2020, the Company had \$1,078,940 in cash (February 29, 2020 - \$957,103), current assets of \$1,524,907 (February 29, 2020 - \$988,778) and current liabilities of \$17,633 (February 29, 2020 - \$116,979), with working capital of \$1,507,274 (February 29, 2020 - \$871,799). Other current assets consisted of GST receivable totalling \$58,860 (February 29, 2020 - \$22,220), \$45,107 in prepaid expenses (February 29, 2020 - \$9,455), and \$342,000 in marketable securities (February 29, 2020 - \$Nil).

During the nine-month period ended November 30, 2020, the Company's operations were supported by \$1,328,702 cash the Company received on closing of its August Offering, \$77,532 received on exercise of options and warrants to acquire the Company's Common Shares, which were in part offset by \$12,471 decrease in related party payables, which were associated with repayment of certain reimbursable expenses incurred by the Company's directors and officers during the nine months ended November 30, 2020.

The Company did not generate sufficient cash flows from its operating activities to satisfy its cash requirements for the nine-month period ended November 30, 2020. The cash that the Company has generated since its inception on July 7, 2017, to November 30, 2020, has been generated from the sales of the Company's Common Shares and from bridge loans from its related parties, which loans the Company repaid, including interest thereon, in June of 2019.

The Company's original planned \$674,000 Metla Property exploration program consisting of a \$229,000 Phase 1 Program followed by a \$445,000 Phase 2 Program was cancelled with the sale of the Metla Property to Brixton. The initial phases of exploration programs on the Ruby Creek Property and the Que Property, which were carried out during the summer and fall of 2020, resulted in total expenditures of \$978,310.

Based upon the current plans, the Company has enough cash resources to support the Company's operations during the next 12 months and to continue to carry out exploration programs at the Ruby Creek Property and the Que Property. In order to continue its operations and exploration programs on the Ruby Creek and the Que Properties beyond the 12-month period, the Company will be required to raise additional financing, which may be done through private loans, sale of marketable securities, where permissible, and/or through possible joint ventures. Although the Company has succeeded in raising funds as needed, this trend is not guaranteed to continue into the future. Many factors, including, but not limited to, issues related to the current COVID-19 pandemic, downturn of the economy, or a significant decrease in the price of minerals, could affect the willingness of potential investors to invest in grass-roots exploration projects. If the Company is unable to generate sufficient cash flow as and when needed, the Company may be required to curtail, or even to cease, its operations.

TRANSACTIONS WITH RELATED PARTIES

During the nine-month periods ended November 30, 2020 and 2019, the Company had the following transactions with related parties:

	Nine months ended November 30,	
	2020	2019
Consulting fees paid or accrued to the Company's CEO	\$ 18,000	\$ 12,710
Accounting fees paid or accrued to the Company's CFO	\$ 6,250	\$ 4,500
Consulting fees paid to the Company's Corporate Secretary	\$ 12,434	\$ 10,671
Project management fees paid or accrued to an entity controlled by the common-law spouse of the Company's co-founder and majority shareholder	\$ 18,000	\$ 12,710
Share-based compensation for options granted to directors and officers	\$ 86,802	\$ 45,380

In addition to the above transactions, on November 30, 2020, Ms. Janet Miller, the common-law spouse of the Company's co-founder and majority shareholder, forgave \$15,000 the Company owed to her on account of project



management fees. The Company recognized \$15,000 as gain on forgiveness of debt included in the statement of net and comprehensive loss.

On November 30, 2020, Global Drilling forgave \$11,589 the Company accrued as payable on account of patent fees associated with the mining claim included as part of the Ruby Creek Property. The Company recognized \$11,589 as part of retained earnings included in the statement of shareholders equity.

Amounts due to related parties consist of amounts owed directly to the officers and directors of the Company for the professional services and for the reimbursable expenses incurred on behalf of the Company. These amounts are unsecured, non-interest bearing and due on demand. At November 30, 2020, the amount payable to related parties including reimbursable expenses incurred was \$9,781 (February 29, 2020 - \$48,841).

OUTSTANDING SHARE DATA

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

Type	Amount	Conditions
Common Shares	19,727,853	Issued and outstanding.
Stock options	280,000	Exercisable into 280,000 Common Shares at a price of \$0.20 per share expiring on May 21, 2021. All of these options are fully vested and are exercisable assuming holders remain eligible per the terms of the Company's option plan.
Stock options	535,000	Exercisable into 535,000 Common Shares at a price of \$0.20 per share expiring on August 6, 2024. All these options are fully vested and are exercisable assuming holders remain eligible per the terms of the Company's option plan.
Stock options	380,000	Exercisable into 380,000 Common Shares at a price of \$0.25 per share expiring on February 28, 2025. The options vest quarterly beginning on May 28, 2020, in equal portions per each holder's grant. As of the date of this MD&A, 201,250 are fully vested and 178,750 vest per quarter assuming the holders remain eligible per the terms of the Company's option plan on such date.
Stock options	50,000	Exercisable into 50,000 Common Shares at a price of \$0.25 per share expiring on May 15, 2022. All of these options are fully vested and are exercisable assuming the holder remain eligible per the terms of the Company's option plan.
Stock options	625,000	Exercisable into 625,000 Common Shares at a price of \$0.50 per share expiring on July 18, 2023. The options vest quarterly beginning on April 18, 2021, in equal portions per each holder's grant. As of the date of this MD&A, no options have vested leaving 625,000 vest per quarter assuming the holders remain eligible per the terms of the Company's option plan on such date.
Compensation options	5,987	Compensation options granted to the agent and members of its selling group as part of the IPO. The Options are exercisable into 5,987 Common Shares at \$0.20 per share expiring on May 21, 2021.
	21,603,840	Total Common Shares outstanding (fully diluted).

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.



ACCOUNTING STANDARDS AND INTERPRETATIONS

Certain new accounting standards and interpretations have been published and are fully disclosed in Note 3 of the audited financial statements for the year ended February 29, 2020. Management is assessing the impact of these new standards on the Company's accounting policies and financial statement presentation.

RISKS AND UNCERTAINTIES

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

- Substantial expenditures are required to explore for mineral reserves and the chances of identifying economical reserves are extremely small;
- The Company expects to continue to incur losses from operations unless and until such time as any of its mineral properties enter into commercial production and generate sufficient revenues to fund its continuing operations;
- The junior resource market, where the Company raises funds, is extremely volatile and there is no guarantee that the Company will be able to raise funds as and when required;
- Although the Company has taken steps to verify title to the mineral properties in which it has an interest, there is no guarantee that such properties will not be subject to title disputes or undetected defects;
- The Company is subject to the laws and regulations relating to environmental matters, including provisions relating to reclamation, discharge of hazardous material and other matters. The Company conducts its exploration activities in compliance with applicable environmental protection legislation and is not aware of any existing environmental problems related to its properties that may cause material liability to the Company; and
- The Company is cognizant of the rapid expansion of the COVID-19 pandemic and the resulting global implications. To date, there have been no significant disruptions to the Company's day-to-day operations, although the SkyTEM geophysical survey was delayed by several weeks and the Company's field season was delayed by a similar number of weeks. Along with its regular safety and environmental program, the Company has implemented a Covid-19 Response Plan and is monitoring the situation. However, the Company cautions that the potential future impact of any restrictions on the Company's operations is currently unknown but could be significant.

FINANCIAL INSTRUMENTS

Fair Value

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

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

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

Capital Management

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

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

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

a) *Liquidity risk*

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

b) *Credit risk*

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

c) *Market risk*

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

i. Currency risk

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

ii. Interest rate risk

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

iii. Price risk

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

CONTINGENCIES

The Company has no contingent liabilities.

ADDITIONAL INFORMATION

Additional information concerning the Company and its operations is available on SEDAR at www.sedar.com.