

BANYAN GOLD CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE QUARTER ENDED MARCH 31, 2021

Background

Background

This discussion and analysis of financial position and results of operations is prepared as at May 20, 2021 and should be read in conjunction with the quarterly financial statements and the accompanying notes for the fiscal year ended March 31, 2021 for Banyan Gold Corp. (the "Company", "Corporation" or "Banyan"). The financial statements, including comparatives, have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS"). Except as otherwise disclosed, all dollar figures included therein and in the following Management Discussion and Analysis ("MD&A") are quoted in Canadian dollars.

This MD&A contains "forward-looking statements" that are subject to risk factors set out in the cautionary statement below. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com and at www.banyangold.com.

Cautionary Note Regarding Forward-Looking Statements

Consequently, all of the forward-looking statements made in this MD&A are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, Banyan. These forward-looking statements are made as of the date of this MD&A. Except as required by applicable securities legislation, we assume no obligation to update publicly or revise any forward-looking statements to reflect subsequent information, events, or circumstances.

Company Overview

The Company was incorporated by a Certificate of Incorporation issued pursuant to the provisions of the Alberta Corporations Act ("ABCA") on July 26, 2010 under the name Banyan Coast Capital Corp, which was subsequently changed to Banyan Gold Corp under a certificate of amendment on February 14, 2013. On November 24, 2010, the Company became a reporting issuer in the Provinces of British Columbia, Alberta, Saskatchewan and Ontario.

Banyan completed its IPO and commenced trading on January 27, 2011 on the TSX Venture Exchange and trades under the symbol BYN.

Banyan is in the business of exploration and development of mineral properties. The Company currently holds two main projects in the mining friendly Yukon Territory.

AurMac Project

The Company's flagship asset is the AurMac Project ("formally Aurex-McQuesten") located in the Mayo Mining District.

The Corporation has the right to earn a 100% interest in the Aurex Project from Victoria Gold Corp. ("Victoria") and up to 100% of the McQuesten Property, from Alexco Resource Corp. ("Alexco"). The Aurex

and McQuesten gold properties are contiguous, comprising 8,230 hectares and 1,000 hectares and are both highly prospective for intrusive-related gold mineralization, and include areas of historic gold production (lode and placer), in the prolific Mayo Mining District, Yukon Territory.

A NI 43-101 technical report for the AurMac Project was prepared by Marc Jutras of Ginto Consulting Inc. and filed on SEDAR on July 7, 2020.

AurMac has an inferred resource of 903,945 gold ounces at a 0.2 g/t pit-constrained cut-off grade (see Table 1 below).

This pit constrained Mineral Resource is contained in two near/on-surface deposits: The Airstrip and Powerline deposits. The Mineral Resource is summarized below:

Table 1: Pit-Constrained Inferred Mineral Resources at a 0.2 g/t Au Cut-Off – AurMac Property

Deposit	Classification	Tonnage Tonnes	Average Au Grade g/t	Au Content oz.
Airstrip	Inferred	45,997,911	0.524	774,926
Powerline	Inferred	6,578,609	0.610	129,019
Total Combined	Inferred	52,576,520	0.535	903,945

Notes:

1. *The effective date for the Mineral Resource is May 25, 2020.*
2. *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, title, taxation, sociopolitical, marketing, changes in global gold markets or other relevant issues.*
3. *The CIM definitions were followed for classification of Mineral Resources. The quantity and grade of reported inferred Mineral Resources in this estimation are uncertain in nature and there has been insufficient exploration to define these inferred Mineral Resources as an indicated Mineral Resource and it is uncertain if further exploration will result in upgrading them to an indicated or measured Mineral Resource category.*
4. *Mineral Resources are reported at a cut-off grade of 0.2 g/t Au, using a US\$/CAN\$ exchange rate of 0.75 and constrained within an open pit shell optimized with the Lerchs-Grossman algorithm to constrain the Mineral Resources with the following estimated parameters: gold price of US\$1,500/ounce, US\$1.50/t mining cost, US\$2.00/t processing cost, US\$2.50/t G+A, 80% heap leach recoveries, and 45° pit slope¹*

The Corporation expanded the land package at AurMac in 2020 to include an additional 401 claims and, also added a second claim block 5 km to the West referred to at Nitra, as described below.

Hyland Gold Project

The Company's second asset is the Hyland Gold Project located in the Watson Lake mining district. The Hyland Main Zone Indicated Gold Resource Estimate, prepared in accordance with NI 43-101, at a 0.3 g/t gold equivalent cut-off, contains 8.6 million tonnes grading 0.85 g/t AuEq for 236,000 AuEq ounces with an Inferred Mineral Resource of 10.8 million tonnes grading 0.83 g/t AuEq for 288,000 AuEq ounces.

¹ The gold price and cost assumptions are consistent with current pricing assumptions and costs, and in particular are consistent with those employed for recent technical reports for similar pit-constrained Yukon gold projects.

Table 2: Hyland Main Zone Indicated Gold Resource

Cut-off Grade (AuEq g/t)	In situ Tonnes	Au		Ag		AuEq	
		Grade (g/t)	Ozs	Grade (g/t)	Ozs	Grade (g/t)	Ozs
Indicated							
0.3	8,637,000	0.78	216,000	7.04	1,954,000	0.85	236,000
Inferred							
0.3	10,784,000	0.77	266,000	5.32	1,845,000	0.83	288,000

Notes:

1. *Mineral resources which are not mineral reserves do not have demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate.*
2. *Mineral resources are reported at a cut-off grade of 0.3 g/t AuEq. AuEq grade is based on \$1,350.00/oz Au, \$17.00/oz Ag and assumes a 100% recovery. The AuEq calculation does not apply any adjustment factors for difference in metallurgical recoveries of gold and silver. This information can only be derived from definitive metallurgical testing which has yet to be completed.*

**News Release March 22, 2018 and Technical Report filed May 2, 2018 which can be found on SEDAR and www.banyangold.com.*

Corporate Results

Results of Operations

During the quarter ended March 31, 2021, there was a net \$741,910 in funds raised through the exercise of stock option and warrants. Please see Disclosure on Financing and Share Activities below for details.

On January 14, 2021, the Corporation held its Annual General and Special Meeting of Shareholders. At the meeting, the following matters were approved:

- i. Setting the number of directors at four;
- ii. The proposed slate of four directors, namely: Mark Ayranto, Tara Christie, David Reid and Steve Burleton;
- iii. The appointment of John J. Geib, Chartered Accountant, as the Company's auditors;
- iv. The renewal of the Company's Stock Option Plan

In the first quarter, Banyan Gold continued to focus on exploring projects that meet our selection criteria:

- Geology
- Multi-million ounce potential
- Superior Infrastructure

COVID-19 Update

As of today, there have been no confirmed cases of COVID-19 at Banyan Gold and we have adopted recommended public health measures to protect our staff, contractors and Yukon communities where our projects are located. In the Yukon, COVID-19 infections are currently low, and strong social distancing, travel restrictions and prevention measures are in place to prevent transmission. Mining and exploration have been declared essential services in Yukon, allowing Banyan to operate in the field following the recommended health precautions and restrictions that are in place, including the mandated self-isolation periods and avoidance of all unnecessary travel into Yukon communities.

Exploration Highlights

During the quarter Banyan continued to receive exploration results from the AurMac 10,000 metre drill program completed in December 2020 and mobilized equipment and staff for the Phase I 2021 15,000 metre drill program which commenced on March 8, 2021. A total of 1,582 metres of drilling was completed from eight oriented drill holes in the Powerline deposit area between March 8th and March 31st, 2021.

Drilling is being carried out with two diamond drills operated by Kluane Drilling Ltd. Core diameter was increased from NTW to HTW to increase sample size and overcome possible nugget effects.

Split samples are being assayed by SGS S.A. analytical laboratories with a turnaround time between 20 and 30 days from sample delivery to Whitehorse sample preparatory facilities.

Highlights from the results received between January to March 2021 are summarized in Table 3 & 4.

**Table 3: 2020 Results Released During the Quarter
Highlighted Diamond Drill Analytical Results – Powerline**

Hole ID	From (m)	To (m)	Interval* (m)	Au (g/t)
AX-20-46	65.1	103.4	38.3	0.69
including	65.1	68.0	2.9	1.57
including	79.5	81.1	1.6	1.32
including	92.7	94.1	1.4	2.02
including	95.6	96.9	1.3	3.95
including	98.9	100.4	1.5	1.68
AX-20-47	14.0	15.5	1.5	1.03
and	52.5	92.5	40.0	1.09
including	73.0	74.5	1.5	1.88
and	115.0	131.5	16.5	0.38
including	124.0	125.5	1.5	1.75
and	186.5	192.0	5.5	0.62
including	191.0	192.0	1.0	2.27
AX-20-49	13.7	19.8	6.1	0.26
and	32.0	48.5	16.5	0.35
and	76.2	142.1	65.9	0.23
including	124.1	125.3	1.2	2.50
AX-20-50	93.9	116.5	22.6	0.39
including	95.5	96.0	0.5	1.77
AX-20-51	20.5	22.0	1.5	0.63
and	61.3	67.5	6.2	0.55
and	76.0	97.0	21.0	0.42
including	76.0	76.2	0.2	4.96
including	85.0	86.5	1.5	2.65
including	91.0	92.0	1.0	1.15
and	118.0	131.0	13.0	0.29
AX-20-52	24.0	33.5	9.5	0.38
and	65.5	67.0	1.5	1.21
and	80.8	116.5	35.7	0.20

Hole ID	From (m)	To (m)	Interval* (m)	Au (g/t)
including	99.5	100.5	1.0	1.23
and	123.4	137.0	13.6	0.35
including	123.4	123.6	0.2	4.82
including	135.5	137.0	1.5	1.01
and	154.5	175.0	20.5	0.29
AX-20-53	17.5	34.0	16.5	0.27
and	105.0	106.0	1.0	1.65
and	115.0	115.2	0.2	2.18
AX-20-54	7.0	27.5	20.5	0.91
including	14.0	21.3	7.3	1.35
including	24.0	25.0	1.0	1.65
including	25.9	27.5	1.6	1.37
and	56.1	58.6	2.5	0.43
and	83.4	116.5	33.1	0.32
including	83.4	83.8	0.4	5.94
including	116.2	116.5	0.3	4.75
AX-20-55	2	43.5	41.5	0.25
Including	33.5	35.0	1.5	1.00
AX-20-56	2.7	115.0	112.3	0.24
including	8.0	9.5	1.5	1.02
including	47.1	47.4	0.3	22.40
and	154.5	224.0	69.5	0.31
including	181.9	182.2	0.3	6.16
including	184.8	185.2	0.4	2.60
including	200.0	200.6	0.6	2.45
including	209.0	210.1	1.1	1.03
AX-20-57	3.1	21.0	17.9	1.11
including	7.5	8.0	0.5	3.71
including	12.2	14.8	2.6	2.73
including	15.5	16.5	1.0	5.20
including	17.5	17.6	0.1	7.56
including	19.5	21.0	1.5	1.03
and	39.2	46.3	7.1	0.56
including	39.2	40.0	0.8	1.72
including	46.0	46.3	0.3	5.30
and	74.5	86.5	12.0	0.31
and	89.0	96.5	7.5	0.23
and	101.5	108.4	6.9	0.33
including	107.5	108.4	0.9	1.30
and	115.7	116.6	0.9	2.04

*True widths are estimated to be greater than 90% of the reported intervals.

**Table 4: 2020 Results Released During the Quarter
Highlighted Diamond Drill Analytical Results – Aurex Hill**

Hole ID	From (m)	To (m)	Interval* (m)	Au (g/t)
MQ-20-84	6.5	13.1	6.6	0.79
Including	11.0	12.5	1.5	2.41
And	21.1	29.5	8.4	0.30
Including	27.8	28.2	0.4	1.87
MQ-20-85	86.5	116.0	29.5	0.42
including	102.0	103.5	1.5	2.13
including	104.5	105.5	1.0	1.78
and	125.6	130.0	4.4	0.68
including	127.5	127.9	0.4	2.08
MQ-20-86	19.1	22.0	2.9	2.74
and	79.0	89.5	10.5	0.60
and	106.0	169.5	63.5	0.92
including	111.9	112.8	0.9	2.80
including	132.2	134.5	2.3	1.58
including	142.0	143.0	1.0	1.81
including	152.0	154.0	2.0	3.33
including	156.0	158.0	2.0	1.36
including	159.0	160.0	1.0	1.27
including	162.0	164.5	2.5	6.70
including	167.7	168.2	0.5	6.24
MQ-20-87	111.0	170.2	59.2	0.89
including	126.8	130.5	3.7	2.04
Including	145.5	147.0	1.5	1.08
including	155.0	159.5	4.5	3.97
including	162.5	164.0	1.5	1.63
including	168.0	168.9	0.9	2.73
and	182.0	186.7	4.7	2.03
MQ-20-88	58.5	96.9	38.4	0.22
and	115.0	160.3	45.3	0.48
including	115.0	116.25	1.25	2.61
including	127.5	129.0	1.5	3.57
including	159.5	160.3	0.8	2.71
MQ-20-89	68.5	92.0	23.5	0.30
including	81.7	83.0	1.3	1.87
and	126.5	163.4	36.9	0.56
including	126.5	127.2	0.7	6.07
including	145.2	146.4	1.2	1.95
including	150.1	150.9	0.8	2.79
including	162.1	162.3	0.2	7.70
including	163.1	163.4	0.3	10.5
MQ-20-90	43.8	113.6	69.8	0.24
including	43.8	45	1.2	1.85

Hole ID	From (m)	To (m)	Interval* (m)	Au (g/t)
Including	92.0	92.6	0.6	1.24
including	95.5	97.0	1.5	1.71
and	181.5	186.9	5.4	0.30
including	186.2	186.9	0.7	1.45
MQ-20-91	134.1	186.2	52.1	0.30
including	134.1	135.6	1.5	1.62
including	137.8	138.8	1.0	4.59
Including	141.6	142.4	0.8	1.44
including	145.1	145.5	0.4	2.68
Including	186.1	186.2	0.1	1.47
and	206.1	215.2	9.1	0.26
MQ-20-92	130.7	146.0	15.3	0.55
including	130.7	133.0	2.3	1.97
including	141.6	143.0	1.4	1.06
and	156.4	170.9	14.5	0.39
including	168.1	170.9	2.8	1.49
and	213.5	239.8	26.3	0.23
MQ-20-93	63.7	123.5	59.8	0.62
including	74.2	76.7	2.5	2.05
including	83.8	85.3	1.5	1.97
including	106.3	107.7	1.4	16.3

*True widths are estimated to be greater than 90% of the reported intervals.

Analysis of property expenditures:

	Aurex	McQuesten	Nitra	Aurex Extension	Hyland	Total
Balance, Sept 30, 2019	592,444	965,401	-	-	3,641,266	5,199,111
Acquisition costs	52,500	28,000	40,250	-	-	120,750
Exploration & evaluation expenses capitalized	225,904	527,591	2,500	-	289	756,284
Balance, Mar 31, 2020	870,848	1,520,992	42,750	-	3,641,555	6,076,145
Balance, Sept 30, 2020	1,733,434	2,274,003	134,097	67,087	3,679,053	7,887,674
Acquisition costs	172,500	92,000	-	-	-	264,500
Government Grant received	(3,000)	(3,000)	(40,000)	-	-	(46,000)
Exploration & evaluation expenses capitalized	1,710,195	824,623	56,318	24,923	387	2,616,446
Balance, Mar 31, 2021	3,613,129	3,187,626	150,415	92,010	3,679,440	10,722,620

Qualified Person

Paul D. Gray, P.Geo., Vice President of Exploration for the Company, is a "qualified person" as defined under NI 43-101 and has reviewed and approved property disclosure content of this report.

Selected Financial Information

The following selected financial information is derived from the unaudited interim financial statements of the Company prepared in accordance with International Financial Reporting Standards (“IFRS”).

Fiscal Quarters of the Fiscal Year Ended September 30, 2021

All in \$ Cdn	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Operations				
Revenues	\$ –	\$ –		
Expenses	547,510	189,268		
Comprehensive (loss)/profit	(547,510)	(189,268)		
Loss Per Share – Basic & Fully Diluted	0.00	0.00		
Balance Sheet				
Working Capital	5,226,235	4,652,834		
Total Assets	\$ 15,282,839	\$ 16,575,155		
Total Long-Term Liabilities	Nil	Nil		

Fiscal Quarters of the Fiscal Year Ended September 30, 2020

All in \$ Cdn	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Operations				
Revenues	\$ –	\$ –	\$ –	\$ –
Expenses	(118,136)	109,219	207,504	1,426,324
Comprehensive (loss)/profit	118,136	(109,219)	(207,504)	(1,426,324)
Loss Per Share – Basic & Fully Diluted	0.00	0.00	0.00	0.01
Balance Sheet				
Working Capital	958,814	805,560	1,122,706	4,673,356
Total Assets	\$ 7,039,949	\$ 6,920,707	\$ 7,822,065	\$ 13,448,847
Total Long-Term Liabilities	Nil	Nil	Nil	Nil

Fiscal Quarters of the Fiscal Year Ended September 30, 2019

All in \$ Cdn	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Operations				
Revenues	\$ –	\$ –	\$ –	\$ –
Expenses	120,492	98,159	93,658	10,626
Comprehensive (loss)/profit	(120,492)	(98,159)	(93,658)	(10,626)
Loss Per Share – Basic & Fully Diluted	(0.00)	(0.00)	(0.00)	(0.00)
Balance Sheet				
Working Capital	166,860	480,432	333,723	322,935
Total Assets	\$ 5,502,945	\$ 5,401,925	\$ 5,295,703	\$ 5,629,609
Total Long-Term Liabilities	Nil	Nil	Nil	Nil

During the quarter ended March 31 31, 2021, the Company recorded a net loss of \$189,268 vs a net loss of \$109,219 in the prior year quarter ended March 31, 2020, an increase of \$80.0K.

Major Variances

General & Admin Expenses. An increase to \$56.8K in the current year quarter to \$109.5K vs the prior year quarter, March 31, 2020, of \$49.7K. The majority of this increase was related to marketing (\$44.1K) and increases related to the ramp up and start of this year's exploration program a quarter earlier than prior year.

Management Fees. Management fees rose in the current year quarter to \$70.0K vs \$51.5K in the prior year's corresponding quarter, a \$18.5K increase reflecting additional activities on the corporate level.

Additional Disclosure for General & Administrative Costs

Since the Corporation has no revenue from operations, the following is a breakdown of general and admin expenses and material costs incurred in the last two fiscal periods:

General & Admin Costs	Quarter Ended March 31, 2021	Quarter Ended March 31, 2020
General & Admin:		
Marketing	78,084	33,992
Amortization	6,544	2,766
Transfer Agent Fees	5,551	1,891
Flow Through Interest Charge	4,251	0
Office Supplies	3,307	1,295
Travel	3,285	2,889
Insurance	2,488	0
Rent	1,900	5,844
Utilities	809	0
Telephone	794	546
Interest & Bank Charges	526	389
Courier & Postage	47	84
WCB Rebate	(1,046)	0

Liquidity and Capital Resources

The accompanying interim financial statements are presented on a going concern basis, which assumes the Company will continue to realize its assets and discharge its liabilities in the normal course of operations.

The Company does not generate cash flows from operations and has therefore relied principally on the issuance of equity securities to finance its operation activities to the extent that such instruments are issuable under terms acceptable to the Company.

If future financing is unavailable, the Company may not be able to meet its ongoing obligations, in which case the realizable values of its assets may decline materially from current estimates. The financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue operations.

From inception to March 31, 2021, the Company raised gross proceeds of \$18,611,205 from the sale of its common shares.

As at March 31, 2021, the Company had working capital of \$4,652,834 (2019 – \$805,560) which will be

sufficient to fund the Company through the fiscal year. The Company has no contractual obligations and the Company's Hyland Property is in good standing into 2023 and beyond while the AurMac spending commitments are well on their way to the next 24% earn-in phase.

Off-Balance Sheet Arrangements

None

Proposed Transactions

None

Transactions with Related Parties

During the quarter, \$70,000 (2020 - \$51,500) was billed to the Corporation by officers and directors of the Company. \$51,250 (2020 - \$ 40,500) was billed by KECM Services, a Company controlled by the CEO and \$18,750 (2020 - \$11,000) has been billed to management fees by 1195472 Ontario Ltd. for the CFO. Other transactions consisted of expense reimbursement at cost.

Critical Judgments and Accounting Estimates

These financial statements, including comparatives have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS"). The financial statements have been prepared on a historical costs basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the period. Actual results could differ from these estimates.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carry amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- i) the recoverability of receivables which are included in the statements of financial position;
- ii) the inputs used in accounting for stock-based compensation expense, which are included in the statement of operations;
- iii) recoverability of future income tax asset;
- iv) recoverability of exploration and evaluation expense asset;
- v) the valuation of the rehabilitation provision; and
- vi) the valuation of share-based payments transactions.

The Company's significant accounting policies are detailed in Note 3 to the Annual Financial Statements.

New Standards and Interpretations

The following new standards have been issued but are not yet applicable to the Company:

IFRS 16 Leases

IFRS 16, Leases replaced previous guidance on accounting for leases. IFRS 16 eliminates the dual accounting model for lessees, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. Instead, there is a single, on-balance sheet accounting model that is

similar to current finance lease accounting.

This standard is effective for annual periods beginning January 1, 2019. The Company has adopted this standard when it became effective. The Company does not currently have any leases and this change is not expected to have a material impact.

Risks and Uncertainties

The Company's financial performance is likely to be subject to the following risks:

The Issuer is a relatively new company with limited operating history and no history of business or mining operations, revenue generation or production history. The Issuer was incorporated on July 26, 2010 and has yet to generate a profit from its activities. The Issuer will be subject to all of the business risks and uncertainties associated with any new business enterprise, including the risk that it will not achieve its growth objective. The Issuer anticipates that it may take several years to achieve positive cash flow from operations.

Exploration, Development and Operating Risks

The exploration for and development of minerals involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. Few properties which are explored are ultimately developed into producing mines. There can be no guarantee that the estimates of quantities and qualities of minerals disclosed will be economically recoverable. With all mining operations there is uncertainty and, therefore, risk associated with operating parameters and costs resulting from the scaling up of extraction methods tested in pilot conditions. Mineral exploration is speculative in nature and there can be no assurance that any minerals discovered will result in an increase in the Issuer's resource base.

The Issuer's operations will be subject to all of the hazards and risks normally encountered in the exploration, development and production of minerals. These include unusual and unexpected geological formations, rock falls, seismic activity, flooding and other conditions involved in the extraction of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although precautions to minimize risk will be taken, operations are subject to hazards that may result in environmental pollution, and consequent liability that could have a material adverse impact on the business, operations and financial performance of the Issuer.

Substantial Capital Requirements and Liquidity

Substantial additional funds for the establishment of the Issuer's current and planned exploration program and potential mining operations will be required. No assurances can be given that the Issuer will be able to raise the additional funding that may be required for such activities, should such funding not be fully generated from operations, mineral prices, environmental rehabilitation or restitution. Revenues, taxes, transportation costs, capital expenditures and operating expenses and geological results are all factors which will have an impact on the amount of additional capital that may be required. To meet such funding requirements, the Issuer may be required to undertake additional equity financing, which would be dilutive to shareholders. Debt financing, if available, may also involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Issuer or at all. If the Resulting Issuer is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion, and pursue only those development plans that can be funded through cash flows generated from its existing operations.

Fluctuating Mineral Prices

The economics of mineral exploration is affected by many factors beyond the Issuer's control including, commodity prices, the cost of operations, variations in the grade of minerals explored and fluctuations in

the market price of minerals. Depending on the price of minerals, it may be determined that it is impractical to continue the mineral exploration operation.

Mineral prices are prone to fluctuations and the marketability of minerals is affected by government regulation relating to price, royalties, allowable production and the importing and exporting of minerals, the effect of which cannot be accurately predicted. There is no assurance that a profitable market will exist for the sale of any minerals found on the Property.

Regulatory Requirements

The current or future operations of the Issuer require permits from various governmental authorities, and such operations are and will be governed by laws and regulations governing exploration, development, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, site safety and other matters. Companies engaged in the exploration and development of mineral properties generally experience increased costs and delays in development and other schedules as a result of the need to comply with the applicable laws, regulations and permits. There can be no assurance that all permits which the Issuer may require for the facilities and conduct of exploration and development operations will be obtainable on reasonable terms or that such laws and regulation would not have an adverse effect on any exploration and development project which the Resulting Issuer might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in exploration and development operations may be required to compensate those suffering loss or damage by reason of the exploration and development activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations. Amendments to current laws, regulation and permits governing operations and activities of mineral companies, or more stringent implementation thereof, could have a material adverse impact on the Issuer and cause increases in capital expenditures or exploration and development costs or require abandonment or delays in the development of new properties.

Financing Risks and Dilution to Shareholders

The Issuer has limited financial resources. If the Issuer's exploration programs on the Property are successful, additional funds will be required for the purposes of further exploration and development. There can be no assurance that the Issuer will be able to obtain adequate financing in the future or that such financing will be available on favourable terms or at all. It is likely such additional capital will be raised through the issuance of additional equity which will result in dilution to the Issuer's shareholders.

Requirement for Permits and Licenses

A substantial number of additional permits and licenses may be required should the Issuer proceed beyond exploration; such licenses and permits may be difficult to obtain and may be subject to changes in regulations and in various operational circumstances. It is uncertain whether the Issuer will be able to obtain all such licenses and permits.

Competition

There is competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Issuer will compete with other mining companies, many of which have greater financial, technical and other resources than the Issuer, for, among other things, the acquisition of minerals claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel.

Reliance on Management and Dependence on Key Personnel

The success of the Issuer is currently largely dependent upon on the performance of its directors and officers and the ability to attract and retain its key personnel. The loss of the services of these persons may have a material adverse effect on the Issuer's business and prospects. The Issuer will compete with numerous other companies for the recruitment and retention of qualified employees and contractors. There is no assurance that the Issuer can maintain the service of its directors and officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Resulting Issuer and its prospects.

No Mineral Reserves

Mineral reserves are, in the large part, estimates and no assurance can be given that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized. Reserve estimates for properties that have not yet commenced production may require revision based on actual production experience. Market price fluctuations of metals, as well as increased production costs or reduced recovery rates may render mineral reserves containing relatively lower grades of mineralization uneconomic and may ultimately result in a restatement of reserves. Moreover, short-term operating factors relating to the mineral reserves, such as the need for orderly development of the ore bodies and the processing of new or different mineral grades may cause a mining operation to be unprofitable in any particular accounting period.

Environmental Risks

The Issuer's exploration and appraisal programs will, in general, be subject to approval by regulatory bodies. Additionally, all phases of the mining business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of international conventions and state and municipal laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with mining operations. The legislation also requires that wells and facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs.

Governmental Regulations and Licenses and Permits

The activities of the Issuer are subject to provincial and federal approvals, various laws governing prospecting, development, land resumptions, production taxes, labour standards and occupational health including potential COVID restrictions, mine safety, toxic substances and other matters. Although the Issuer believes that its activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. Amendments to current laws and regulations governing operations and activities of exploration and mining, or more stringent implementation thereof, could have a material adverse impact on the business, operations and financial performance of the Issuer. Further, the licenses and permits issued in respect of its projects may be subject to conditions which, if not satisfied, may lead to the revocation of such licenses. In the event of revocation, the value of the Issuer's investments in such projects may decline.

Local Resident Concerns

Apart from ordinary environmental issues, work on, or the development and mining of the Property could be subject to resistance from local residents that could either prevent or delay exploration and development of the Property.

Conflicts of Interest

Certain of the directors and officers of the Issuer will be engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies (including mineral resource companies) and, as a result of these and other activities, such directors and officers of the Issuer may become subject to conflicts of interest. The Alberta Corporations Act (“ABCA”) provides that in the event that a director has a material interest in a contract or proposed contract or agreement that is material to the Issuer, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement, subject to and in accordance with the ABCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the ABCA.

Uninsurable Risks

Exploration, development and production operations on mineral properties involve numerous risks, including unexpected or unusual geological operating conditions, rock bursts, cave-ins, fires, floods, earthquakes and other environmental occurrences. It is not always possible to obtain insurance against all such risks and the Issuer may decide not to insure against certain risks as a result of high premiums or other reasons. Should such liabilities arise, they could have an adverse impact on the Issuer's results of operations and financial condition and could cause a decline in the value of the Issuer Shares. The Issuer does not intend to maintain insurance against environmental risks.

Investor Relations Activities

The Company does not have any investor relations arrangements.

Financing Activities

During the quarter the Company issued 166,700 shares on the exercise of stock options at \$0.15 per share and issued 8,757,250 shares on the exercise of warrants; 4,330,000 at \$0.075 per share and 4,427,250 at \$0.09 per share.

Disclosure of Outstanding Share Data

a) Authorized and Issued capital stock:

As of March 31, 2021:

Unlimited number of:
Class A voting common shares
Class B non-voting, common shares
Preferred Shares
All issued shares are fully paid

The Company's authorized share capital is unlimited common shares without par value. As at March 31, 2021, there are 180,447,339 issued and outstanding Class A common shares.

b) Warrants Outstanding as of March 31, 2021:

Number	Exercise Price	Expiry Date
None		

c) Options Outstanding:

During the quarter ended March 31, 2021, no stock options were granted, 166,700 stock options were exercised at \$0.15 and the following stock options were outstanding:

Number	Exercise Price	Expiry Date
500,000	\$ 0.065	August 4, 2021
500,000	\$ 0.085	August 26, 2021
150,000	\$ 0.07	October 27, 2021
800,000	\$ 0.11	March 2, 2022
1,425,000	\$ 0.12	September 23, 2022
650,000	\$ 0.08	December 29, 2022
200,000	\$ 0.075	June 18, 2023
1,150,000	\$ 0.05	December 19, 2023
4,100,000	\$ 0.06	December 12, 2024
950,000	\$ 0.12	June 2, 2025
2,010,000	\$ 0.23	December 9, 2025
12,435,000		

Subsequent Events

On May 11, 2021, the Company issued 3,600,000 stock options to purchase 3,600,000 shares at an exercise price of \$0.24 per share, expiring 5 years from the date of the grant. 1,100,000 of the stock options issued to field staff have a vesting period covering 18 months. 370,000 vest on November 11, 2021; 365,000 vest on May 11, 2022 and 365,000 vest on November 11, 2022.

The stock options are being issued to field employees, consultants, Directors and Officers of the company. The options were granted under and are subject to the terms and conditions of the Company's stock option plan.