



**MISTANGO RIVER**  
**RESOURCES**

**MISTANGO RIVER RESOURCES INC.**

**Management Discussion and Analysis**

For the three and six months ended June 30, 2022

The following interim management's discussion and analysis ("Interim MD&A") of Mistango River Resources Inc. ("Mistango", the "Corporation", or the "Company") for the six months ended June 30, 2022 has been prepared to provide material updates to the business operations, liquidity and capital resources of the Company since its last annual management's discussion and analysis, being the management's discussion and analysis for the year ended December 31, 2021 ("Annual MD&A"). This Interim MD&A does not reflect any non-material events since the date of the Annual MD&A.

For the purposes of preparing this Interim MD&A, management, in conjunction with the board of directors of the Company (the Board), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

This discussion should be read in conjunction with the Company's Annual MD&A, audited annual consolidated financial statements for the years ended December 31, 2021 and 2020, together with the notes thereto, and unaudited condensed interim consolidated financial statements for the six months ended June 30, 2022 and 2021, together with the notes thereto.

Results are reported in Canadian dollars ("\$"), unless otherwise noted. The Company's unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations of the IFRS Interpretations Committee (IFRIC). The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting.

This Interim MD&A has been prepared with reference to the MD&A disclosure requirements established under National Instrument 51-102 Continuous Disclosure Obligations (NI 51-102) of the Canadian Securities Administrators. Additional information regarding Mistango is available on its website at [www.mistango.com](http://www.mistango.com) or through the Company's SEDAR profile available at [www.sedar.com](http://www.sedar.com). However, the information on the website is not in any way incorporated in or made a part of this Interim MD&A. This Interim MD&A has been prepared as of August 29, 2022.

### **Scientific and Technical Information**

Antoine Schwartzmann, P.Geo., and Qualified Persons as defined by NI 43-101, has reviewed and approved the scientific and technical content contained in this Interim MD&A.

### **Corporate Overview**

Mistango is a Canadian-based junior mining and exploration company incorporated under the Canada Business Corporations. The Company holds a portfolio of exploration stage projects in the Province of Ontario, which Mistango continues to evaluate.

The head and principal office of the Company is located at 55 University Avenue, Suite 1805, Toronto, Ontario, M5J 2H7. The Company has no subsidiaries. Additional information relevant to the activities of the Company, including press releases has been filed electronically through the System for Electronic Document Analysis and Retrieval ("SEDAR") – ([www.sedar.com](http://www.sedar.com)). The Company is a reporting issuer in the provinces of British Columbia, Alberta and Ontario and trades on the Canadian Securities Exchange, symbol MIS:CSE.

**Key Development During the Six Months Ended June 30, 2022 and up to August 29, 2022***Kirkland West*

On January 31, 2022, Mistango announce positive assay results from hole BAL21-024 at the 5,000 metre Phase 2 drill program in the Baldwin Zone, on its Kirkland West Gold project. Significant results received to-date are as follows:

- Drill Hole BAL21-024 intersected at 922.81 to 922.31 meters returned a value of 86.2 g/T (metallic screen analysis) and intersected more gold mineralization at 1079.15 to 1080.12 meters with a grade of 5.65 g/t. Management estimates that both results appear to be related to either the main break of the Larder Lake/Cadillac Fault zone or the Amalgamated Fault.
- Drill hole BAL22-025 intercepted gold mineralization above the 86.2 g/t assay returned a 1.09 g/t assay from 716 to 717 meters, approximately 150 meters above BAL21-024.
- Drill hole BAL21-021 intersected gold mineralization, returning a value of 1.13 g/t over 3 meters from 225 to 228 meters, approximately 100 meters to the east of BAL21-024.

On March 14, 2022, the Company announced the completion of its 5,400 metres Phase 2 drill program at Kirkland West which included seven drill holes. Kirkland West is adjacent and to the west of Agnico Eagle's Macassa Mine and is thought to have western extensions of critical gold structures in the Kirkland Lake Gold Camp. Refer to the March 14, 2022 press release for results.

The Company is expecting to resume drilling at Kirkland West which is adjacent to Agnico Eagle Mines Limited's Macassa Mine in Kirkland Lake, Ontario.

*Omega Project*

On February 7, 2022, Mistango announced the kick-off of the 5,200 metre Phase 1 drill program on its Omega Gold Project (Omega, or the Project), near Larder Lake, Ontario, that includes a segment of the Larder Cadillac Fault Zone which is a regionally important structure associated with gold deposits in the Abitibi Greenstone Belt. The property includes the former Omega Mine where Resources of 219.8 Koz (Indicated) and 365.4 Moz (Inferred) are determined as of May 10, 2013.

On May 25, 2022, the Company announced the completion of the Phase 1 drill program at its Omega Project. The drill program completed 2,988 metres of diamond drilling over 6 holes. On July 26, 2022, the Company announced the results from the Phase 1 drill program at its Omega Project, noting multiple gold intercepts, including one that yielded 13.83 g/t Au over 1 meter in hole OMG22-006. Mistango is planning to follow up this program at Omega to expand the known high-grade zones and test for additional gold zones. The Company will seek to drill five 500-meter holes in the Southwest Extension, testing beneath previous high-grade intercepts on Omega. Refer to the July 26, 2022 press release for results.

*Corporate*

On March 14, 2022, the Company announced its intention to purchase physical gold as an inflation hedge. As of the date of this MD&A, no physical gold purchases have been executed.

On May 3, 2022, the Company announced the appointment of Joel Friedman to Chief Financial Officer, replacing Kevin Canario, the Company's outgoing Chief Financial Officer.

*Subsequent to June 30, 2022*

In August 2022, the Company committed a total of \$200,000 in cash or shares, at the Company's option,

and \$1.2 million in work commitments to earn a 100% interest in the Ledden Copper-Gold Project in the Chibougamau District of Quebec. The vendors will retain a 2% net-smelter royalty, of which the Company can repurchase half for \$2 million. Additional milestone payments, in cash or shares at the Company's option, are due upon prescribed milestones after 100% interest in the project has been earned.

The Company purchased, in the public market, shares of an arms-length unaffiliated publicly traded entity for an aggregate investment cost of approximately \$1.7 million, representing less than five percent ownership in the entity. At August 29, 2022, the cost of the Company's investments approximated their market value.

### **Core Business Strategy**

At this time, the success of the Company is linked primarily to the exploration and development of the Kirkland Lake West and Omega Properties in Ontario. The Company is in the process of re-evaluating all its assets, and looking to develop a comprehensive business strategy that will be accretive to the existing property portfolio through a combination of focused exploration and by pursuing business transactions that will aggregate additional gold ounces to the benefit of the Company and shareholders.

### **Mineral Exploration Projects**

#### **Kirkland West Property**

The Eby-Baldwin Property, now referred to as the Kirkland West Project, has been an important part of Mistango's mineral portfolio and additional claims were acquired by staking to fill in open gaps that were present in the vicinity of the existing claims and patents. On March 26, 2020 the Company announced the acquisition of a 100% interest in the 2,105-hectare Teck-Kirkland Property from Hinterland Metals ("Hinterland"), a major block of claims that is contiguous to the existing Kirkland West Property. The Teck-Kirkland property encompasses the western boundary of Kirkland Lake Gold (KL:TSX) and includes claims on the Amalgamated, Main, and Cadillac-Larder Lake Faults. This expansion of Mistango's Kirkland West brings the property to a total of 4,300 hectares making the Company one of the largest landowners in the Kirkland Lake camp.

Several prolific gold-bearing fault structures, including the Main and Amalgamated breaks were interpreted by the Company to be continuous onto the Kirkland West Property where they might also be structurally linked to the Cadillac Larder Lake Break ("CLLB"). The presence of the structural breaks (fault zones) provides for geological similarities to the Macassa mine structural setting a few thousand metres to the Northeast.

The purchased Hinterland Property is immediately contiguous to the north of the Baldwin patent claims, which are host to the Baldwin Mine that produced a small amount of gold (43 ounces from 74 tonnes milled; see MNDM report MDC018) during the 1928-1938 period from a 122-metre shaft. The gold mineralization was reportedly hosted in east-northeast trending veins and the best grades were found where the vein is intersected by north-northeast trending fractures and faults.

In 2020, the Company commissioned a geophysical contractor to produce a series of new aeromagnetic map products that are derived from a public domain data set. Also, the company commissioned a high-resolution Lidar survey that was then used to generate a digital elevation model (DEM; topographic surface) covering much of the Kirkland West property. The resulting aeromagnetic map products and Lidar-derived DEM were used along with historical geological maps and newly collected field data to build an interpretation of fault structures on the property in view of planning the Phase 1 drilling campaign that was designed to explore for gold that would be potentially hosted by the interpreted structures.

The Phase 1 exploration drilling campaign on the Kirkland West Property completed 7,014 metres of drilling before the work was paused on April 30, 2021 due to difficult working conditions resulting from spring break-up. A total of 4,023 samples were submitted for assay and results and returned no significant intersections.

In August, 2021 a geophysical contractor was commissioned to generate new geophysical 3-D inversion models based on the available public domain aeromagnetic data set. The results of the modeling program led to derived structural interpretations that support the interpretations that the Main Break and Amalgamated Break structures would be continuous onto the Kirkland West Properties. The newly generated information was used to refine high priority drilling target zones at Kirkland West for the Phase 2 drilling campaign that kicked off in October, 2021 (see news releases dated October 4 and November 9, 2021). Mistango has completed its 5,400 metres Phase 2 drill program that included seven drill holes. Kirkland West is adjacent and to the west of Agnico Eagle's Macassa Mine and is thought to have western extensions of critical gold structures in the Kirkland Lake Gold Camp.

Significant results received to-date are as follows:

- Drill Hole BAL21-024 intersected at 922.81 to 922.31 meters returned a value of 86.2 g/T (metallic screen analysis) and intersected more gold mineralization at 1079.15 to 1080.12 meters with a grade of 5.65 g/t. Management estimates that both results appear to be related to either the main break of the Larder Lake/Cadillac Fault zone or the Amalgamated Fault.
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- Drill hole BAL21-021 intersected gold mineralization, returning a value of 1.13 g/t over 3 meters from 225 to 228 meters, approximately 100 meters to the east of BAL21-024.

### **Omega Property**

On July 10, 2013, the Company filed a National Instrument 43-101, *Standard of Disclosure for Mineral Projects ("NI 43-101")* resource estimate on the 100% owned Omega Project. In the potential open pit area, the inferred and indicated resource tonnes were increased by 117% and contained ounces of gold by 34%. The global inferred and indicated resource tonnes were increased by 92% and the global contained gold ounces by 24%. The Inferred Mineral Resource estimate, at cut-offs of 0.5 g/t Au for mineralization above an elevation of 130 m above sea level (masl), representing open-pit potential and for a cut-off of 3 g/t Au below 130 masl, representing underground potential is set out in the table below. Note that 130 masl approximately corresponds to 170 m vertical depth in areas proximal to main mineralization zones:

<b>Cut-off grade</b>	<b>Classification</b>	<b>Tonnes (Mt)</b>	<b>Au (g/t)</b>	<b>Contained (Oz)</b>
0.5 g/t above 130 masl	Indicated	4.92	1.39	219,438
3 g/t below 130 masl	Indicated	0.003	3.19	370
			Total Indicated	219,808
0.5 g/t above 130 masl	Inferred	3.35	1.8	190,900
3 g/t below 130 masl	Inferred	1.34	4.0	174,500
			Total Inferred	365,400

Note: A constant bulk density of 2.8 t/m<sup>3</sup> has been used.

A drilling program was undertaken on the Omega Property in 2019 to test the near surface extensions of the Omega Deposit. The planned drilling program was not completed in its entirety and results have only been partially compiled.

During the summer of 2020 field mapping and grab sampling from outcrops were carried out on the Omega property. The Company is in the process of integrating the new field data along with property-wide structural interpretations based on available aeromagnetic and geological maps to generate exploration targets.

The Company completed the Phase 1 drill program at its Omega Project, consisting of 2,988 metres of diamond drilling over 6 holes. On July 26, 2022, the Company announced the results from the Phase 1 drill

program at its Omega Project, noting multiple gold intercepts, including one that yielded 13.83 g/t Au over 1 meter in hole OMG22-006. Mistango is planning to follow up this program at Omega to expand the known high-grade zones and test for additional gold zones. The Company will seek to drill five 500-meter holes in the Southwest Extension, testing beneath previous high-grade intercepts on Omega. Refer to the July 26, 2022 press release for results.

### **Sackville Property**

Mistango holds a 100% interest in the Sackville property. The Company's geochemistry sampling on this property was undertaken during 2010. After reviewing this data and older data, there appears to be a significant area of high enzyme leach geochemistry results in an area of low magnetics. This is an area yet to be tested by any drilling and has been tested only partially by geophysics. The property could potentially be the host of the high-grade gold/silver/zinc boulders discovered previously. In 2010, Mistango completed a NI 43-101 report on the property which can be reviewed on [www.sedar.com](http://www.sedar.com) or the Company's website at [www.mistango.com](http://www.mistango.com).

During 2019, the Company staked an additional 4 claims connected to its Sackville property but has otherwise not carried out any significant work on the property.

### **Option Agreement with Agnico Eagle Gold Mines Limited (formerly Kirkland Lake Gold)**

The Company entered into an option agreement (the "Option Agreement") dated April 21, 2021 with Kirkland Lake Gold and its subsidiaries (now Agnico Eagle Gold Mines Limited or "Agnico Eagle" following a merger). Pursuant to the Option Agreement, Agnico Eagle was granted the Option (as defined below), consisting of the right to earn-in to acquire up to a 75% interest in each of the Company's Omega and Eby-Baldwin Properties (the "Properties").

In addition, Agnico Eagle was granted a right of first refusal to participate with the Company on and rights of first offer with respect to any potential joint venture agreements, sale agreements or financing to be entered into between the Company and any third parties in respect of Mirado, McGarry or Knight (or Omega and Kirkland West for MIS) and/or future property interests acquired by the Company in Ontario or Quebec, for so long as the Company maintains an equity interest of at least 5.0% in the Company.

Pursuant to the "Option Agreement", Agnico Eagle has been granted the option (the "Initial Option") to acquire up to an undivided 50% interest in the Properties through the funding of exploration expenditures in the amount of C\$10 million (the "Phase 1 Expenditures") during the initial 5-year term of the Option Agreement (the "Option Period"), with Agnico Eagle incurring a minimum C\$1 million of the Expenditures prior to the one-year anniversary of the effective date of the Option Agreement and a further C\$1.5 million prior to the second anniversary date. During the Option Period, the Company will continue to act as operator of the Properties. Upon satisfaction of its funding obligations in respect of the Phase 1 Expenditures, Agnico Eagle will have earned a 50% interest in the Properties, and the Company and Agnico Eagle will be deemed to have formed a 50:50 joint venture (the "Joint Venture") to carry on operations in respect of the Properties.

Upon formation of the Joint Venture, Agnico Eagle will have the further option (the "Final Option" and together with the Initial Option, the "Option") to acquire an additional 25% interest by incurring additional expenditures of C\$50 million within the first five-year period following formation of the Joint Venture (the "Second Option Period"). During the Second Option Period, Agnico Eagle will act as operator with respect to operations on the Properties.

As at August 29, 2022, spending at the property in accordance with the option agreement with Agnico Eagle is in good standing with all spending commitments met.

**REVIEW OF OPERATIONS FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2022 AND 2021**
***Three months ended June 30, 2022 and 2021***

For the three months ended June 30, 2022, the Company has a net income before taxes of \$142 thousand compared to the prior year period net loss before taxes of \$404 thousand, an increase in earnings of \$545 thousand. The decrease was due to decreased exploration and evaluation expenditures as the exploration programs were carried out under the Option Agreement combined with additional funding under the option agreement being received in the current period which related to unbudgeted expenditures incurred in 2021.

	<b>Three months ended</b>		
	<b>June 30, 2022</b>	<b>June 30, 2021</b>	<b>Change</b>
<b>EXPENSES</b>			
Management and consulting	\$75,266	\$59,185	\$16,081
Share-based compensation	23,197	-	23,197
Professional fees	27,603	13,249	14,354
Office, general and administrative	9,182	6,235	2,947
Transfer agent, filing fees and shareholder communications	38,982	52,529	(13,547)
Amortization	1,581	7,713	(6,132)
Exploration and evaluation expenditures	(298,059)	271,223	(569,282)
Interest expenses, (net of interest income)	(15,207)	(6,543)	(8,664)
<b>TOTAL EXPENSES</b>	<b>\$(137,455)</b>	<b>\$403,591</b>	<b>\$(541,046)</b>

Exploration and evaluation expenditures decreased \$0.6 million as a result of the program being carried out under the Option Agreement combined with the additional credit as noted above.

***Six months ended June 30, 2022 and 2021***

For the six months ended June 30, 2022, the Company has a net income before taxes of \$5 thousand compared to the prior year period net loss before taxes of \$1.2 million, an increase in earnings of \$1.2 million. The decrease was due to decreased exploration and evaluation expenditures as the exploration programs were carried out under the Option Agreement combined with additional funding under the option agreement being received in the current period which related to unbudgeted expenditures incurred in 2021.

	<b>Six months ended</b>		
	<b>June 30, 2022</b>	<b>June 30, 2021</b>	<b>Change</b>
<b>EXPENSES</b>			
Management and consulting	\$159,751	\$129,102	\$30,649
Professional fees	30,183	17,868	12,315
Office, general and administrative	31,909	18,871	13,038
Transfer agent, filing fees and shareholder communications	49,834	53,163	(3,329)
Amortization	5,075	15,425	(10,350)
Exploration and evaluation expenditures	(284,078)	984,158	(1,268,236)
Interest expenses, (net of interest income)	(20,966)	(14,648)	(6,318)
<b>TOTAL EXPENSES</b>	<b>\$(5,095)</b>	<b>\$1,203,939</b>	<b>\$(1,209,034)</b>

Exploration and evaluation expenditures decreased \$1.3 million as a result of the program being carried

out under the Option Agreement combined with the additional credit as noted above.

### **Mineral Properties**

The evaluation and exploration expenditures incurred during the periods ended June 30, 2022 and 2021 and since project inception, for each property were as follows:

	June 30, 2022	June 30, 2021	Accumulated From Property Inception
Kirkland West - Eby/Baldwin, Ontario	\$(365,446)	\$973,627	\$2,750,984
Goldie, Ontario	-	-	513,053
Omega, Ontario	32,911	10,531	6,097,314
Sackville, Ontario	24,824	-	1,216,649
Other	1,080	-	114,730
	\$(306,631)	\$984,158	\$10,692,730

### **Summary of Quarterly Results**

	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021
Net Income (Loss)	\$141,672	\$(132,358)	\$(777,446)	\$(118,800)
Comprehensive Loss	141,672	(132,358)	(777,446)	(118,800)
Loss per share	0.00	(0.00)	(0.01)	(0.00)
Total assets	7,356,101	7,487,893	7,977,032	7,561,314
Long-term liabilities	-	-	-	-
Shareholders' equity	6,574,415	\$6,409,548	\$6,541,906	\$6,914,478

	June 30, 2021	March 31, 2021	December 31, 2020	September 30, 2020
Net Loss	\$(403,591)	\$(800,348)	\$(465,318)	\$(314,885)
Comprehensive Loss	(403,591)	(800,348)	(465,318)	(314,885)
Loss per share	(0.00)	(0.01)	(0.00)	(0.00)
Total assets	7,641,859	6,151,970	6,749,697	7,143,904
Long-term liabilities	-	-	2,217	66,797
Shareholders' equity	\$7,033,277	\$5,213,536	\$6,013,884	\$6,347,575

### **Liquidity and Financial Condition**

Due to the nature of the junior mineral exploration business, the Company relies upon external financing to fund its ongoing business activities. Financing options are continually being evaluated and pursued by the Company, such as the issuance of share capital and/or debt financing. Mistango's ability to continue as a going concern is dependent upon financing arrangements for its business activities. As with any business in this industry, there are uncertainties associated with its ability to raise additional financing through private placements, or other sources to fund these activities. As such, the Company is subject to liquidity risks.

As at June 30, 2022, the Company had working capital of \$7.1 million compared to December 31, 2021 when it had working capital of \$7.0 million. As at June 30, 2022, Mistango had \$7.3 million in current assets, being a decrease of \$0.6 million from December 31, 2021 when its current assets totaled \$8.0 million. As at June 30, 2022, Mistango's current liabilities, including the flow-through share premium liability totaled



\$0.8 million, a decreased of \$0.7 million from December 31, 2021.

The Company had a cash balance of \$7.1 million as at June 30, 2022, consistent with its balance as at December 31, 2021. In the six months ended June 30, 2022, cash used in operating activities was \$17 thousand compared to cash used of \$1.3 million in the corresponding prior year period. Cash used in financing activities for repayment of lease obligation in the amount of \$2 thousand in the current period compared to \$2.2 million in cash provided in the prior year period as a result of equity issuances.

### **Related Party Transactions and Balances**

#### ***Key management personnel compensation***

Key management includes the Company's directors, officers, and employees with the authority and responsibility for either directly or indirectly planning, directing and controlling the activities of the Company. Compensation awarded to key management during the three and six months ended June 30, 2022 and 2021 include:

	Three months ended June 30		Six months ended June 30	
	2022	2021	2022	2021
Management and consulting fees	\$73,102	\$44,500	\$134,393	\$119,333
Share-based compensation	6,323	-	6,323	-
	\$79,425	\$44,500	\$140,716	\$119,333

As at June 30, 2022 and December 31, 2021, the Company had the following related party balances:

	June 30, 2022	December 31, 2021
Due from Standard Ore Corporation	\$34,427	\$34,427
Due from 2287957 Ontario Ltd	46,666	46,666
	\$81,093	\$81,093

Standard Ore Corporation ("Standard Ore") is controlled by a director of the Company. Standard Ore provides corporate and administrative services to the Company.

2287957 Ontario Ltd. is a private company incorporated in Ontario and is controlled by a director of the Company.

Orefinders Resources Inc. ("Orefinders") is a junior mineral exploration company listed on the TSX-Venture exchange. Each of the Company's and Orefinders' board of directors are controlled by the same three parties. At June 30, 2022, Orefinders owned approximately 16% of the common shares of the Company (December 31, 2021 – 16%).

Amounts due to and from these related parties are unsecured, non-interest bearing with no fixed terms of repayment.

### **Commitments and Contingencies**

(a) On July 10, 2020, the Department of Finance Canada announced a proposal to extend the time that issuers of "flow-through shares" have to incur eligible expenditures by 12 months, being December 31, 2022. This extension applies to issuers with operations that have been impacted by COVID-19 and should provide relief to mining companies that have had to change or halt their operations due to the pandemic. As at June 30, 2022, the Company was committed to spending \$2,996,750 in eligible exploration expenditures by December 31, 2022.

The Company has indemnified the subscribers of the flow-through share offerings against any tax-related

amounts that become payable by the shareholder as a result of the Company not meeting its expenditure commitments.

(b) The Company's exploration activities are subject to various federal and state laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

(c) Since March 2020, the COVID-19 pandemic is causing a widespread health crisis that has affected economies and financial markets around the world resulting in an economic downturn. In response to the outbreak, governmental authorities in Canada and internationally have introduced various recommendations and measures to try to limit the pandemic, including travel restrictions, border closures, non-essential business closures, quarantines, self-isolations, shelters-in-place and social distancing. The COVID-19 outbreak and the response of governmental authorities to try to limit it are having a significant impact on the private sector and individuals, including unprecedented business, employment and economic disruptions. The continued spread of COVID-19 nationally and globally could have an adverse impact on the Company's business, operations and financial results, as well as a deterioration of general economic conditions including a possible national or global recession. Due to the speed with which the COVID-19 situation is developing and the uncertainty of its magnitude, outcome and duration, it is not possible to estimate its impact on the Company's business, operations or financial results, including the Company's ability to secure financing; however, the impact could be material. To-date there have been no material adverse effects to the Company's operations.

### **Corporate Governance Matters**

The Company has an independent audit committee and a compensation committee that meets periodically as required to review and approve financial statements and to approve management compensation.

### **Capital Management**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, so that it can provide returns to shareholders and benefits to other stakeholders. The Company considers the items included in equity as capital. The Company manages the capital structure and adjusts it in 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 equity offerings or return capital to shareholders.

There can be no assurance that the Company will be successful in its efforts to arrange additional financing, if needed, on terms satisfactory to the Company.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management in the period.

The Company is not subject to externally imposed capital requirements.

### **Financial Instruments**

The Company is exposed in varying degrees to a variety of financial instrument related risks. The type of risk exposure and the way in which such exposure is managed is provided as follows:

#### ***Fair value of financial instruments***

The fair value of financial instruments approximates their carrying value due to the short-term maturity of these instruments. As at June 30, 2022 and December 31, 2021, the Company has no financial instruments to classify in the fair value hierarchy. The fair value of the Company's financial instruments approximate

their carrying amount given their short term nature.

### **Credit risk**

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. GST/HST receivable is due from the Government of Canada and the Company believes the risk of loss related to these is remote. The Company's exposure to credit risk is on its cash held in bank accounts. Cash is held with major banks in Canada. Management assesses credit risk of cash as remote.

### **Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company strives to ensure that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash. The Company's accounts payable and accrued liabilities generally have contractual maturities of less than 30 days and are subject to normal trade terms. In the long-term, the Company may have to issue additional equity to ensure there is sufficient capital to meet long-term objectives.

### **Currency and interest rate risk**

The Company is not exposed to any significant foreign exchange risk or interest rate risk.

### **Classification of financial instruments**

Financial assets and liabilities included in the statement of financial position are as follows:

	June 30, 2022	December 31, 2021
<b>Financial assets at amortized costs:</b>		
Cash	\$7,072,515	\$7,091,477
GST/HST receivable	122,616	110,438
Accounts receivable	8,364	615,550
Due from related party	120,748	81,093
	<b>\$7,324,243</b>	<b>\$7,898,558</b>
<b>Financial liabilities at amortized costs:</b>		
Accounts payable and accrued liabilities	\$205,739	\$855,482
Convertible note	66,868	64,668
	<b>\$272,607</b>	<b>\$920,150</b>

### **Environmental Risks and Hazards**

All phases of Mistango's mineral exploration operations are subject to environmental regulations pertaining to the provinces of Ontario and also Canada. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect Mistango's operations. Environmental hazards may exist on the properties on which Mistango holds interests, which are unknown to Mistango's at present and which may have been caused by previous or existing owners or operators of the properties. Mistango may become liable for such environmental hazards caused by previous owners and operators of the properties even where it has attempted to contractually limit its liability. Government approvals and permits are currently and may in the future be required in connection with Mistango's operations. To the extent such approvals are required and not obtained, Mistango may be curtailed or prohibited from proceeding with planned exploration or development of mineral properties. Failure to comply with applicable laws,

regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities which may cause operations to cease or be curtailed and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

The future costs of retiring mining assets include dismantling, remediation, ongoing treatment and monitoring of the site. These are reconciled and recorded as a liability at fair value. The liability is accreted, over time, through periodic charges to earnings. In addition, asset retirement costs are capitalized as part of the asset's carrying value and amortized over the asset's useful life. The Company currently has an asset retirement obligation in relation to the retirement of its assets.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on Mistango and cause increases in exploration expenses, capital expenditures and production costs. They may also cause a reduction in levels of production at producing properties or they may require abandonment or delays in development of new mining properties.

Production of mineral properties may involve the use of dangerous and hazardous substances such as sodium cyanide. While all steps will be taken to prevent discharges of pollutants into the environment, Mistango may become subject to liability for hazards against which it cannot be insured.

The Company is subject to all environmental acts and regulations at the federal and provincial levels.

These include, but are not limited to, the following:

**Federal Level (Canada)**

Canadian Environmental Protection Act  
Fisheries Act  
Navigable Waters Protection Act and  
Regulations

**Provincial Level (Ontario)**

Ontario Environmental Protection Act  
Ontario Mining Act

To the Company's knowledge, there are no liabilities to date which relate to environment risks or hazards.

**Risks and Uncertainties**

Mistango's business of exploring mineral resources involves a variety of operational, financial and regulatory risks that are typical in the natural resource industry. The Company attempts to mitigate these risks and minimize their effect on its financial performance, but there is no guarantee that the Company will be profitable in the future.

**Capital Requirements**

The Company will require significant capital in order to fund its operating costs and to explore and develop any project. Mistango has no revenues and is wholly reliant upon external financing to fund all of its capital requirements. Mistango will require additional financing from external sources to meet such requirements. There can be no assurance that such financing will be available to Mistango or, if it is, that it will be offered on acceptable terms. If additional financing is raised through the issuance of equity or convertible debt securities of Mistango, the interests of shareholders in the net assets of Mistango may be diluted. Any failure of Mistango to obtain financing on acceptable terms could have a material adverse effect on Mistango's financial condition, prospects, results of operations and liquidity and require Mistango to cancel or postpone planned capital investments.

**Dependence on Mineral Exploration Projects**

Any adverse development affecting the progress of Company's exploration projects such as, but not limited to, obtaining financing on commercially suitable terms, hiring suitable personnel and contractors, or securing supply agreements on commercially suitable terms, may have a material adverse effect on the Company and its business or prospects.

**Metal Prices**

The development and success of any project of the Company will be primarily dependent on the future price of gold and other metals. Gold and base metal prices are subject to significant fluctuation and are affected by a number of factors, which are beyond the control of the Company. Such factors include, but are not limited to, interest rates, exchange rates, inflation or deflation, fluctuation in the value of the United States dollar and foreign currencies, global and regional supply and demand, and the political and economic conditions of major gold-producing countries throughout the world. The price of gold and other precious and base metals has fluctuated widely in recent years, and future serious price declines could cause any future development of and commercial production from the Company's properties to be impracticable. Depending on the price of gold and other metals, projected cash flow from planned mining operations may not be sufficient and the Company could be forced to discontinue any development and may lose its interest in, or may be forced to sell, some of its properties. Future production from the Company's mining properties is dependent on gold and base metal prices that are adequate to make these properties economic.

Furthermore, reserve calculations and life-of-mine plans using significantly lower gold and other metal prices could result in material write-downs of the Company's investment in mining properties and increased amortization, reclamation and closure charges.

In addition to adversely affecting the Company's possible future reserve estimates and its financial condition, declining commodity prices may impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if the project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

**Government Regulation, Permits and Licenses**

The Company's mineral exploration and potential development activities are subject to various laws governing prospecting, mining, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people and other matters. 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 exploration, development or production. Many of the mineral rights and interests of the Company are subject to government approvals, licenses and permits. Such approvals, licenses and permits are, as a practical matter, subject to the discretion of the applicable governments or governmental officials. No assurance can be given that the Company will be successful in maintaining any or all of the various approvals, licenses and permits in full force and effect without modification or revocation. To the extent such approvals are required and not obtained; the Company may be curtailed or prohibited from continuing or proceeding with planned exploration or development of mineral properties.

Where required, obtaining necessary permits and licenses can be a complex, time consuming process and the Company cannot assure that required permits will be obtainable on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could stop or materially delay or restrict the Company from proceeding with the development of an exploration project or the operation or further development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in interruption or closure of exploration, development or mining operations or material fines, penalties or other liabilities. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, 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 mining

operations or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of such mining activities, and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations. Amendments to current laws and regulations governing operations or more stringent implementation thereof could have a substantial adverse impact on the Company and cause increases in exploration expenses, capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

### **Competition**

The mining industry is competitive in all of its phases. The Company faces strong competition from other exploration and mining companies in connection with the acquisition of properties producing or capable of producing, precious and base metals. Many of these companies have greater financial resources, operational experience and technical capabilities than Mistango. As a result of this competition, Mistango may be unable to maintain or acquire attractive mining properties on terms it considers acceptable or at all. Consequently, the financial condition and any future revenues and operations of Mistango could be materially adversely affected.

### **Exploration, Development and Operational Risk**

The exploration for, and development of, mineral deposits involve significant risks that even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties, which are explored, are ultimately developed into producing mines. Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are the particular attributes of the deposit, such as size, grade and proximity to infrastructure, metal prices which are highly cyclical, and government regulations including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in Mistango not receiving an adequate return on invested capital.

The Company does not currently operate a mine on any of its properties. There is no certainty that the expenditures made by Mistango towards the search for, and evaluation of, mineral deposits will result in discoveries of commercial quantities of ore. Mining operations generally involve a high degree of risk. Such operations are subject to all the hazards and risks normally encountered in the exploration for, and development and production of gold and other precious or base metals. Such hazards and risks include unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal 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. Milling operations are subject to hazards such as equipment failure or failure of retaining dams around tailings disposal areas which may result in environmental pollution and consequent liability.

### **Reliance on Management and Key Employees**

The success of the operations and activities of Mistango is dependent to a significant extent on the efforts and abilities of its management, a relatively small number of key employees, outside contractors, experts and other advisors. Investors must be willing to rely to a significant extent on management's discretion and judgment, as well as the expertise and competence of its key employees, outside contractors, experts and other advisors. Mistango does not have in place formal programs for succession of management and training of management nor does it have key person insurance on its key employees. The loss of one or more of these persons, if not replaced, could adversely affect Mistango's operations and financial performance.

### **No Assurance of Titles, Boundaries or Approvals**

Titles to Mistango's properties may be challenged or impugned, and title insurance is generally not available. Mistango's mineral properties may be subject to prior unregistered agreements, transfers or claims, and title may be affected by, among other things, undetected defects. In addition, Mistango may be

unable to operate its properties as permitted or to enforce its rights with respect to its properties. Mistango cannot assure that it will receive the necessary approval or permits to exploit any or all of its mineral projects in the future. The failure to obtain such permits could adversely affect Mistango's operations.

### **Environmental Risks and Hazards**

All phases of Mistango's operations are subject to environmental regulation in the jurisdiction in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect Mistango's operations. Environmental hazards may exist on the properties in which Mistango holds interests which are unknown to Mistango at present and which have been caused by previous or existing owners or operators of the properties.

### **Uninsured Risks**

Mistango's business is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labor disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to Mistango's properties or the properties of others, delays in development or mining, monetary losses and possible legal liability. Although Mistango maintains insurance to protect against certain risks in such amounts as it considers commercially reasonable, its insurance will not cover all of the potential risks associated with its operations. Mistango may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration is not generally available to Mistango on affordable and acceptable terms. Mistango might also become subject to liability for pollution or other hazards which may not be insured against or which Mistango may elect not to insure against because of premium costs or other reasons. Losses from these events may cause Mistango to incur significant costs that could have a material adverse effect upon its financial condition and results of operations.

### **COVID-19**

The COVID-19 pandemic is causing a widespread health crisis that has affected economies and financial markets around the world resulting in an economic downturn. In response to the outbreak, governmental authorities in Canada and internationally have introduced various recommendations and measures to try to limit the pandemic, including travel restrictions, border closures, non-essential business closures, quarantines, self-isolations, shelters-in-place and social distancing. The COVID-19 outbreak and the response of governmental authorities to try to limit it are having a significant impact on the private sector and individuals, including unprecedented business, employment and economic disruptions. The continued spread of COVID-19 nationally and globally could have an adverse impact on the Company's business, operations and financial results, as well as a deterioration of general economic conditions including a possible national or global recession. Due to the speed with which the COVID-19 situation is developing and the uncertainty of its magnitude, outcome and duration, it is not possible to estimate its impact on the Company's business, operations or financial results, including the Company's ability to secure financing; however, the impact could be material.

### **Equity Securities Issued and Outstanding**

As at August 29, 2022:

151,528,066 common shares issued and outstanding  
\$55,000 convertible promissory note (on the basis of one common share for every \$0.03 of principal so converted.)  
6,110,000 incentive stock options outstanding  
5,743,561 warrants outstanding  
766,043 broker compensation options

### **Off Balance Sheet Arrangements**

The Company has no off-balance sheet arrangements.

### **Evaluation of Disclosure Controls and Procedures**

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence to ensure that (i) the unaudited interim condensed consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the unaudited interim condensed consolidated financial statements; and (ii) the unaudited interim condensed consolidated financial statements fairly present in all material respects the financial condition, financial performance and cash flows of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate filed by the Company does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing such certificate are not making any representations relating to the establishment and maintenance of: i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of unaudited interim condensed consolidated financial statements for external purposes in accordance with the issuer's generally accepted accounting principles (IFRS).

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in such certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

### **Cautionary Note Regarding Forward-Looking Statements**

Certain of the statements made and information contained herein is "forward-looking information". These statements relate to future events or the Company's future performance. All statements, other than statements of historical fact, may be forward-looking statements. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "anticipates", "plans", "budget", "scheduled", "continue", "estimates", "forecasts", "expect", "is expected", "project", "propose", "potential", "targeting", "intends", "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur" or "be achieved" or the negative connotation thereof. These statements involve known and unknown risks, uncertainties and



other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should not be unduly relied upon by investors as actual results may vary. These statements speak only as of the date of this MD&A and are expressly qualified, in their entirety, by this cautionary statement. In particular, this MD&A contains forward-looking statements, pertaining to the following: capital expenditure programs, development of resources, treatment under governmental and taxation regimes, expectations regarding the Company's ability to raise capital, expenditures to be made by the Company on its properties and work plans to be conducted by the Company. With respect to forward-looking statements listed above and contained in the MD&A, the Company has made assumptions regarding, among other things:

- uncertainties relating to receiving exploration permits;
- the impact of increasing competition;
- unpredictable changes to the market prices for minerals;
- exploration and developments costs for its properties;
- availability of additional financing and opportunities for acquisitions or joint-venture partners;
- anticipated results of exploration and development activities; and
- the Company's ability to obtain additional financing on satisfactory terms.

The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and elsewhere in this MD&A and Financial Statements and Notes to the Financial Statements as at June 30, 2022 and the Annual MD&A and Financial Statements and Notes to the Financial Statements as at December 31, 2021, uncertainties associated with estimating resources; geological, technical, drilling and processing problems; liabilities and risks, including environmental liabilities and risks, inherent in mineral and oil and gas operations; fluctuations in currencies and interest rates; incorrect assessments of the value of acquisitions; unanticipated results of exploration activities; competition for, amongst other things, capital, undeveloped lands and skilled personnel; lack of availability of additional financing and farm-in or joint venture partners and unpredictable weather conditions. Although the Company has attempted to identify important factors that could cause results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Readers are cautioned that the foregoing lists of factors are not exhaustive. Forward looking statements are made as of the date hereof and accordingly are subject to change after such date. The forward-looking statements contained in this MD&A are expressly qualified by this cautionary statement. The Company does not undertake to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws.

"Stephen Stewart"

On behalf of Mistango's Board of Directors