Windfall Geotek Inc

(formerly known as Albert Mining Inc.)

Management's Discussion and Analysis

Years ended February 28th, 2021 and February 29th, 2020

(Canadian dollars, unless otherwise stated)

Index

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management Discussion and Analysis ("MD&A") of the operations, results, financial position and outlook of Windfall Geotek Inc. (formerly Albert Mining Inc.) (the "Company"), current as of June 28th, 2021, should be read in conjunction with the Company's consolidated financial statements for the year ended February 28, 2021 and the annual audited consolidated financial statements for the year ended February 29, 2020 and the notes attached thereto, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All financial results presented in this MD&A are expressed in Canadian dollars unless otherwise indicated. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

1.1 FORWARD LOOKING STATEMENTS

This MD&A contains or may refer to certain statements that may be deemed "forward-looking statements". Forward-looking statements include estimates and statements that describe the Company's future development plans, objectives or goals, including words to the effect that the Company expects a stated condition or result to occur. Forward-looking statements may be identified by such terms as "anticipates", "believes", "could", "estimates", "expects", "may", "shall", "will", or "would". Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Forward-looking statements are not a guarantee of future performance and actual results or developments may differ materially from those in forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices for mineral commodities; exploration successes; new opportunities; continued availability of capital and financing; general economic, market or business conditions; and litigation, legislative, environmental or other judicial, regulatory, political and competitive developments. These and other factors should be considered carefully and readers should not place undue reliance on the Company's forward-looking statements. Windfall Geotek Inc. does not undertake to update any forward-looking statement that may be made from time to time by Management or on its behalf, except in accordance with applicable public disclosure rules and regulations. Readers are cautioned not to place undue reliance on forward looking statements.

This MD&A includes but is not limited to, forward looking statements regarding: the potential and planned exploration on the Company's properties; the Company's ability to meet its working capital needs for the year ending February 28, 2022; the plans, costs, capital and timing of future exploration and development of the Company's property interests; the Company's potential to continue generating revenue by providing services using its CARDS system.

1.2 NATURE OF BUSINESS

Windfall Geotek Inc. is a Canadian mineral exploration, development and service company incorporated under the Canada Business Corporations Act. The Company is engaged in the acquisition, exploration and development of mineral properties in Québec with the aim of discovering commercially exploitable deposits of minerals (primarily base metals, precious metals and Lithium). The Company also offers services using its 2D-3D CARDS system using Artificial Intelligence (AI) and datamining. CARDS uses the latest Artificial Intelligence and pattern recognition algorithms to analyze digital data sets of compiled georeferenced historical exploration data, including geological, geochemical, geophysical, and structural data, as well as digital elevation (DEM).

1.2 NATURE OF BUSINESS (continued)

The Company is listed for trading on the Toronto Stock Exchange Venture Market (''TSX-V'') under the symbol "AIIM". Windfall Geotek's head office is located at 7005 Taschereau Boulevard, Suite #265, Brossard (Quebec).

1.3 GOING CONCERN ASSUMPTION

The consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assume that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. The Company has started to generate revenues from its CARDS system. The Company has not yet determined whether its mineral properties contain mineral deposits that are economically recoverable. During the year ended February 28, 2021, the Company has recorded a net comprehensive income of $85,814 (February 29, 2020, a loss of $871,181) and has an accumulated deficit of $43,645,760 (February 29, 2020 - $43,731,574). These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

On February 28, 2021, the Company had a positive working capital of $2,789,684 ($543,421 as at February 29, 2020).

The Company must secure additional funding to fund its ongoing working capital requirements. Management is always evaluating various alternatives to secure the necessary financing so that the Company can continue as a going concern. Nevertheless, there is no assurance that these initiatives will be successful.

The carrying amount of assets, liabilities and expenses presented in the consolidated financial statements and the classification used in the consolidated statement of financial position have not been adjusted as would be required if the going concern assumption was not appropriate. Those adjustments could be material.

1.4 HIGHLIGHTS FOR THE FISCAL YEAR 2021

For the year ended February 28, 2021, the Company recorded revenues for Cards services of $614,463 compared to $617,037 for the year ended February 29,2020.

Highlights for the year ended February 28, 2021.

Operational

- On March 26, 2020, the Company announced the launch of EagleEyeTM, a drone-based solution for AI-driven digital exploration in mining. The Company's experience in collecting and analyzing data has been proven over the past 15 years. EagleEyeTM will began tests in mining sector with the acquisition and analysis of survey data. The Company is partner with operators of leading surveying companies to obtain geophysical data and generate potential drill targets using drones, modified sensors, and the CARDS AI software system.

- On May 26, 2020, the Company announced the signature of a preferred services agreement with Draganfly. This announcement was the next milestone toward the execution of the EagleEyeTM, drone-based solution for AIdriven digital exploration in mining and land mine detection. The Company's data has historically been provided by helicopter or fixed wings planes. The advancement of drone technology with the capacity to deliver high resolution Mag Geophysical survey is a game changer, as the Company is now in a position to offer a turn-key solution for digital exploration at an affordable cost.

- Signed a series of contracts to generate high probable gold targets in various projects in the Red Lake Mining camp.

- Signed contract with Durango Resources over its Windfall Lake Trove project in Quebec

- Signed contract with Flow Metals at their new Brenda project in BC and with Playfair Mining to analyze an extension zone of their project in Norway.

- Signed contract with Chilean Metals at the Tierra de Oro project in Chile and identification of positive gold results including samples of 10.32 g/t Au 5.79 g/t at the Cobalt zone.

- Signed contract with Orvana Minerals Durango Resources over its Taguas project of 41.8 sq/km located in the province of San Juan in Argentina and identified 17 high probability of gold targets.

- Signed contract with Trillium Gold Mines at the Red Lake area project and Go Metals for their Monster project in the Yukon territory.

- Signed second contract with Capella Minerals in Central Norway, on the Kjoli project, a copper rich massive sulfide project representing a district-scale of 120 square kilometers land position, which saw mining for 300 years beginning mid 1600's and produced some 2.9 Mt at 1.7% Cu and 5.5% Zn.

- Signed contract with Go Metals Corp in Yukon, on their Monster project covering 68 square kilometers. The contract will identify prospective copper-silver targets.

1.4 HIGHLIGHTS FOR THE FISCAL YEAR 2021 - (CONTINUED)

- During February 2021, the Company began testing of the EagleEye™ Land mine detection solution with Draganfly (CSE: DFLY) (OTCQB: DFLYF) an award-winning, industry-leading drone solution, and systems developer. This test included joint research, development, and engineering support for the development of drones and sensor equipment. Approximately CAD $700,000,000 was spent by industry and government in 2018 to deal with this problem of land mines and explosive remnants of war.

- For all the news, refer to https://windfallgeotek.com/news/

Financial

- Comprehensive income of $85,814 for the year ended February 28, 2021 compared to a comprehensive loss of $871,181 for the year ended February 29, 2020.

- Positive EBITDA of $241,297 for the year ended February 28, 2021 compared to a negative EBITDA of $718,073 during the year ended February 29, 2020.

- Negative cash flows of $388,616 from operating activities before changes in working capital items compared to negative cash flows of $406,985 in fiscal 2020.

- At the end of February 28, 2021, the net working capital of the Company was $2,789,684, an increase of $2,246,263 compared to February 29, 2020.

- On October 21st, 2020, obtention of a listing on the OTCQB.

(1) EBITDA: "Earnings before interest, taxes and depreciation" is a non-IFRS financial performance measure with no standard definition under IFRS. It is therefore possible that this measure could not be comparable with a similar measure of another corporation. The Company uses this non-IFRS measure as an indicator of the cash generated by the operations and allows investor to compare the profitability of the Company with others by canceling effects of different assets bases, effects due to different tax structures as well as the effects of different capital structures. EBITDA is calculated in section 1.7 of this MD&A. See the "Non- IFRS Measures" section 1.22 of this MD&A.

(2) Cash-flow per share is a non-IFRS financial performance measure with no standard definition under IFRS. It is therefore possible that this measure could not be comparable with a similar measure of another corporation. This measure is calculated in section 1.7 of this MD&A. See the "Non-IFRS Measures" section 1.22 of this MD&A. The Company uses this non-IFRS measure which can also be helpful to investors as it provides a result which can be compared with the Company market share price.

1.5 EXPLORATION

The Company is a junior explorer with active projects in Canada.

Ashuanipi property

On January 10, 2018 the Company acquired 100% of the 283 claims (CDC) of the Ashuanipi gold property for $40,471. On June 8, 2018 the Company issued 150,000 common shares valued at $11,250 for to acquired 9 additional claims (CDC) from 6248-7792 Quebec Inc. The property covers approximately 14,305 hectares and is located in northeast Quebec, just 30 km west of Schefferville, where a total of 49 Gold showings was previously identified in the area, both in drill hole intersections (values up to 2.23 g/t Au over 19.5 meters in a hole located 12 km west of the project) and on outcrop (grades reaching up to 171,5 g/t, 8.6 g/t, 4.94 g/t, 1,74 g/t, and 1,4 g/t Au. Most of the mineralization is associated with iron formations hosted in meta sediments (International Corona & Sigeom). Approximately 350 rusty zones with various degrees of gold mineralization were identified in the region (International Corona). Many gold anomalies were also identified by the lakes bottom sediments (Sigeom).

In August 2018, Geo Data Solutions (GDS) Inc. completed a 4,411-line kilometers high-sensitivity helicopter-borne magnetic survey at 50-meter line spacing on the property (292 claims). GDS also completed a qualitative and quantitative interpretation of the survey with a primary objective to identify geological structures favorable for gold mineralization. Seven geophysical exploration target areas were selected based on thorough data processing that included the calculation of derivatives and 3D inversions.

During the months of October 2018 through to January 2019, a Computer Aided Resources Detection System (CARDS) evaluation model was performed over the Ashuanipi Property using the data from the GDS survey. Using the detailed structural interpretation and available geo-information obtained from several historical gold occurrences and the new gold discoveries of the 2013 exploration program, the new high-resolution magnetic data was integrated into Artificial Intelligence CARDS to refine a new 2D CARDS gold signature. The Company generated fifty-two (52) precise gold targets. Seventeen (17) combined CARDS and geophysical gold targets and one (1) combined CARDS gold target – thorium anomaly is considered as priorities for the next exploration campaign. The CARDS modeling results, along with general prospecting and careful structural and metallogeny analysis using the new high-resolution magnetic data, provides a better understanding of the distribution of the gold mineralization.

During the year ended February 28, 2019, the Company acquired an additional 6 claims, bringing the total number of claims comprising this property to 289.

In March 2018, the Company issued 150,000 shares, valued at $11,250, for the purchase of the nine Lac Guillaume claims.

During the year ended February 29, 2020, the Company incurred $119,975 (February 28, 2019 - $201,051) of exploration and evaluation expenditures on assessing the potential of this property.

On October 2, 2019, the Company renewed only 115 claims (including the nine Lac Guillaume claims) for this property at a cost of $13,646, based on combined CARDS Artificial Intelligence (AI) prediction system and geophysical targets. This amount was recorded in the Statement of Operations of the company.

On February 21, 2020, the Company signed an option agreement with Flow Metals Corp. (FM), for the sale of 100% interest in the Ashuanipi gold property, located in Northern Quebec. As per the option agreement, FM has

1.5 EXPLORATION (continued)

agreed to pay a total amount of $120,000 in cash, 2.1 million shares, to spend $450,000 on exploration work over a three-year period and sign a contract for the use of Cards AI tool for $60,000.

Chapais property

The Chapais property is located in the upper part of the northeastern Abitibi volcanic sequences, where the ultramafic Cumming Complex intrudes mafic and felsic rocks of the Waconichi Formation and mafic rocks of the upper Roy Group. The property consists of 36 map-designated and staked claims totaling 1,560 hectares. CARDS evaluation has outlined areas with potential for copper, gold and zinc mineralization.

The property includes both a highly prospective region (the northern section of the claim block) located in a geologically significant environment and a well-worked region (the southeast section of claim block) that could still benefit from further drill testing.

As part of the purchase agreement with Diagnos, the Company issued 29,510 common shares valued at $2,951 for this property.

Mineralization on the Chapais property may be of Opémiska style gold-copper vein typology, particularly given its proximity to the Springer (produced 25 677 ounces of gold and 654 M lb of copper) and Perry mines (produced 790,049 ounces of gold and 386 M lb of copper). The mineralized veins of the Springer mine are restricted to fracture networks contained in the ophitic parts of the gabbroic Venture sill which continues into the Chapais property.

After the compilation and integration of all geology and drilling reports, geophysical ground and recent airborne surveys, including data from Opémiska adjacent property (Ex-In of Quebec Inc.) and from the recent interpretation-gold targeting map produced by the MRN (Quebec government), a first-phase exploration program, including field reconnaissance, will be performed on the CARDS-generated targets. A high-resolution helicopter-borne Magnetic and Time-Domain EM survey will follow. A detailed analysis of the data from the

second phase will aid the company to re-evaluate the mineral potential of the property and determine the appropriate location and orientation of future drill holes.

In December 2017 the Company drilled three holes to test copper CARDS targets. The first hole intersected two one meter-thick (along core axis) mineralized zones assaying 1.61% Zn; and 1.74% Zn, and 0.59% Cu, respectively from 158.4 m to 159.4 m and 190.3 m to 191.3 m. These Zn–Cu values are associated with sulfidic and graphitic horizons in intensely folded fine-grained sediments of the Blondeau Fm. which locally shows a high zinc background (1000 – 2000 ppm). The first hole returned slightly anomalous gold values of 0.142 g/t Au over 1 m and 0.128 g/t Au over 0.5 m (along core axis), associated with semi massive sulfides. In the two last holes, pyroxenite was observed to alternate with meta sediments and volcanic flows of ultramafic affinities. The encouraging results obtained from this short drilling campaign on the Chapais property will be followed by detailed IP geophysics surveying and additional till sampling.

On December 5, 2017, the Company signed an option agreement with Everton Resources Inc. ("Everton") pursuant to which Everton had the option to acquire up to 75% undivided interest in 7 of the claims making up this property. During the year ended February 28, 2019, Everton did not complete the expenditure requirements and the option agreement was cancelled.

1.5 EXPLORATION (continued)

In September 2019, the Company completed an updated NI 43-101 technical report for the property. The report confirms the strong mineral potential of the Chapais Property and the efficiency of the AI CARDS system to produce verifiable targets.

During the year ended February 28, 2021, the Company did not incur any exploration and evaluation expenses on this property.

Wachigabau Lake property

The Wachigabau Lake property covers three gold targets and one copper target selected from the CARDS computer program. It includes 33 map-designated claims (CDC), totaling 1,842 hectares. The property lies within the southern band (Caopatina Segment) of the Chibougamau-Matagami Archean greenstone belt. The Wachigabau lake property's surroundings host two gold deposits (Short Lake & Mariposite) and three known gold and base metals showings (Lac Relique-Ouest, Simard and Lac Lapointe SE) within a 15-km radius. A geochemical survey covering the CARDS gold targets hidden below thick overburden is recommended to validate their mineral potential. As part of the purchase agreement with Diagnos, the company issued 23,190 common shares valued at $2,319 for this property.

A field exploration over the best gold CARDS targets was done in September 2018. A total of 15 rock samples were collected around the targets and 27 samples were taken of till covering the target. The rock samples were sent to ALS laboratory in Val d'Or, while the till samples were sent to Overburden Drilling Management Laboratory (ODM) in Ottawa. The rock samples did not return values of interest. However, the till samples returned 14 pristine gold grains; this suggests that the gold particles have travelled a very short distance from their source, indicating a great potential for this target zone.

In November 2018, Dynamic Discovery Geoscience of Ottawa, Ontario, was hired to conduct an IP survey on the target; the survey is seen as the next step in exploration as it should help to validate the targets at depth.

A resistivity and induced polarization (IP) survey totaling 16.9km was completed on the gold target zone using a dipole-dipole configuration (a=25m, n=1-10) which allows for increased penetration (~80m) and good resolution.

A total of 152 individual IP anomalies, further grouped as 52 chargeable lineaments, have been defined. Among them, one axis (P43) is considered to have a higher potential to relate to mineralized occurrences, while the 13 others are deemed to have some potential, but to a lesser extent.

In March 2018, the Company paid $2,115 to renew the 33 claims comprising this property.

During the years ended February 28, 2021 and February 29, 2020, the Company did not incur any exploration and evaluation expenditures on this property.

1.5 EXPLORATION (continued)

Lasarre property

The La Sarre property is located in the Abitibi region of western Quebec, approximately 60 km from the town of Rouyn Noranda and approximately 6 km from the town of La Sarre. The property consists of 4 map designated claims, totaling 168 hectares. A CARDS evaluation has outlined three areas with potential for gold, copper and zinc mineralization. The geology of the area is extremely promising for discoveries given the large amount of sulphide and hydrothermal mineralization discovered in previous drill campaigns and the property's proximity to the Rivière La Sarre showing.

As part of the purchase agreement with Diagnos, the company issued 2,810 common shares valued at $281 for this property.

During the years ended February 28, 2021 and February 29, 2020, the Company did not incur any exploration and evaluation expenditures on this property.

Outlook

Ashuanipi Property

The Company will pursue the further exploration development on the 115 selected claims of the property with a signed option agreement with Flow Metals Corp. (FM), for the sale of 100% interest in the Ashuanipi gold property on February 21, 2020.

Chapais Property

The Chapais Property offers a strong potential for gold as exemplified by a historical reverse circulation drill hole that returned 6.29 g/t Au in a till sample. The encouraging results from the short 2017 drilling campaign will be followed by a detailed IP geophysical survey and additional till sampling.

Wachigabau property

The prospection will be carried out over the gold target explored recently by sampling and by IP survey. Basic surface prospection, along with stripping and channel sampling, will be performed on anomaly IP P43, ranked as a high priority as it probably represents strongly chargeable and locally conductive mineralization.

Lasarre Property

The titles of the property will expire on June 2021. The company will evaluate the potential of the property and decide if the property will be renewed or not.

1.6 QUALIFIED PERSON

The above technical information was prepared, confirmed and/or reviewed by Grigor Heba, P.Geo. (Québec), and a qualified person under NI 43-101.

1.7 FINANCIAL INFORMATION

The following selected financial data is derived from the Company's financial statements.

a) Operations

	2021 $	2020 $
Revenue		
Services	**614,463**	617,037
Operating expenses		
Amortization	**(155,483)**	(153,108)
Commissions - CARDS	**(104,545)**	(100,500)
Exploration and evaluation expenditures	**(151,169)**	(119,975)
General and administrative	**(729,365)**	(803,547)
Stock based compensation	**(248,964)**	(125,860)
	(1,389,526)	(1,302,990)
Operating loss	**(775,063)**	(685,953)
Unrealized gain (loss) on marketable securities	**731,645**	(185,228)
Gain on sale of marketable securities	**14,232**	-
Gain on disposal of mining assets	**115,000**	-
Net income (loss) and comprehensive income (loss) for the year	**85,814**	(871,181)

OVERALL PERFORMANCE

For the year ended February 28, 2021, revenue of $614,463 was recorded (2020 - $617,037). Management estimates that the Covid 19 situation did affect the number of contracts signed in Q1 and Q2 of the current year, therefore reducing the revenue that would have normally been recorded this year. The cumulative net income and cumulative income of $85,814 for the year is the result of the unrealized gain on marketable securities of $731,645 during the year.

b) General and administrative expenses (G&A)

	2021 $	2020 $
General and administrative		
Bad debts	37,000	(57,000)
Salaries and management fees	(275,442)	(264,407)
Travel and promotion	(94,213)	(162,697)
Shareholder information	(66,139)	(43,298)
Professional and consulting fees	(276,992)	(211,263)
Office and general expense	(53,579)	(64,882)
	(729,365)	(803,547)

1.7 FINANCIAL INFORMATION (continued)

The total G&A expenses was reduced during the year ended February 28, 2021 when compared to the year 2020, due to a reduction of $68,484 in the travel and promotion and to the recovery of bad debts for $37,000.

Salaries and Management fees

During the year ended February 28, 2021, salaries and management fees increased by $11,035 compared to the year 2020.

Travel and promotion

During the year ended February 28, 2021, travel and promotion charges decreased by $68,484 compared to the year 2020.

Professional and consulting

During the year ended February 28, 2021, professional and consulting fees increased by $65,729 compared to the year 2020. This is due to the costs incurred for the name change and legal costs for having it patented in Australia and United States.

Office and general expenses

During the year ended February 28, 2021, the Office and general expenses were reduced by $11,303.

RECONCILIATION OF NET INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS) TO EBITDA

	2021	2020
Reconciliation of net income (loss) and comprehensive income (loss) to EBITDA (1)		
Net and comprehensive income (loss)	**85,814**	(871,181)
Depreciation	**155,483**	153,108
EBITDA (1)	**241,297**	(718,073)
Reconciliation of net cash flow from operating activities before change in working capital items per share (2)		
Net cash flow used in operating activities before change in working capital items (2)	**(388,616)**	(406,985)
Basic weighted average number of common shares outstanding	**88,718,169**	79,976,998
Diluted weighted average number of common shares Outstanding	**95,883,505**	79,976,998

1.7 FINANCIAL INFORMATION (continued)

(1) EBITDA: "Earnings before interest, taxes and depreciation" is a non-IFRS financial performance measure with no standard definition under IFRS. It is therefore possible that this measure could not be comparable with a similar measure of another corporation. The Company uses this non-IFRS measure as an indicator of the cash generated by the operations and allows investor to compare the profitability of the Company with others by canceling effects of different assets bases, effects due to different tax structures as well as the effects of different capital structures. See the "Non-IFRS Measures" section 1.22 of this MD&A.

(2) Net cash-flow from operating activities before change in working capital per share is a non-IFRS financial performance measure with no standard definition under IFRS. It is therefore possible that this measure could not be comparable with a similar measure of another corporation. See the "Non-IFRS Measures" section 1.22 of this MD&A. The Company uses this non-IFRS measure which can also be helpful to investors as it provides a result which can be compared with the Company market share price.

c) Financial position

During the present year ended February 28, 2021, the working capital of the company increased by $2,246,263 and the net equity increased by $2,088,894.

	2021 $	2020 $
Statement of financial position		
Cash	**1,516,723**	104,677
Accounts receivable	**23,851**	142,477
Prepaid expenses	**117,605**	-
Marketable securities	**1,368,179**	393,534
Subscriptions paid	**-**	100,000
	3,026,358	740,688
Office equipment	**21,155**	23,524
Intangible assets	**150,000**	300,000
Mining assets	**1**	1
Total assets	**3,197,514**	1,064,213
Current liabilities	**236,674**	197,267
Non-current liabilities	**5,000**	-
Equity	**2,955,840**	866,946
Total liability and equity	**3,197,514**	1,064,213

d) Cash flow

	2021 $	2020 $
Cash flows used in operating activities	**(378,188)**	(479,668)
Cash flows provided by (used in) investing activities	**1,118**	(603,977)
Cash flows provided by financing activities	**1,789,116**	1,013,316
Net increase (decrease) in cash and cash equivalents	**1,412,046**	(70,329)

Since its incorporation, the Company has not paid any cash dividends on its outstanding common shares. Any future dividend payment will depend on the Company's financial needs to fund its exploration programs and its future growth, and any other factor that the board may deem necessary to consider. It is highly unlikely that any dividends will be paid in the near future.

1.8 QUARTERLY INFORMATION

The following summarized financial data has been prepared in accordance with IFRS and should be read in conjunction with the Company's consolidated interim and annual financial statements for the respective periods.

Quarter Ended	Revenue	Operating loss	Net comprehensive Income (loss)	Basic and Diluted net income (loss) per common Share
28/02/2021	17,250	(302,149)	93,644	0.00
30/11/2020	311,600	(34,652)	(7,006)	(0.00)
31/08/2020	165,119	(331,855)	17,100	0.00
31/05/2020	120,494	(106,407)	(17,924)	(0.00)
29/02/2020	209,632	(139,567)	(300,295)	(0.00)
30/11/2019	232,405	(114,294)	(108,794)	(0.00)
31/08/2019	100,000	(128,915)	(128,915)	(0.00)
31/05/2019	75,000	(303,177)	(333,177)	(0.00)

1.9 LIQUIDITY AND CAPITAL RESOURCES

On February 28, 2021, the Company had cash of $1,516,723 (February 29, 2020 - $104,677) and current liabilities of $236,674 (February 29, 2020 - $197,267). All of the Company's financial liabilities have contractual maturities of less than 30 days, except for the flow-through premium liability, and are subject to normal trade terms. The Company regularly evaluates its cash position to ensure preservation and security of capital as well as liquidity.

1.9 LIQUIDITY AND CAPITAL RESOURCES (continued)

Share issuance

Fiscal 2021

(i) On January 20, 2021, the Company completed a non-brokered private placement by issuing 9,996,667 units of the Company for gross proceeds of $599,800. Each unit consisted of (i) one common share at a price of $0.06 per common share and (ii) one common share purchase warrant. Each warrant entitles the holder thereof to acquire one additional common share in the capital of the Company at a price of $0.08 per common share for a period of 24 months expiring January 20, 2023.

In connection with the private placement, the Company paid total cash issuance costs of $3,749.

The 9,996,667 warrants issued in connection with this private placement have been recorded at a value of $261,707 based on the proportional method using the Black Scholes pricing model, using the using the following assumptions: share price of $0.11, an average exercise price of $0.07, risk free interest rate of 0.16%, expected life of warrants of 2 years, annualized volatility rate of 157% (based on the Company's historical volatility for 2 years up to the issuance date) and dividend rate of 0%

(ii) On June 12, 2020, the Company completed a non-brokered private placement by issuing 6,740,000 units of the Company for gross proceeds of $337,000. Each unit consisted of (i) one common share at a price of $0.05 per common share and (ii) one common share purchase warrant. Each warrant entitles the holder thereof to acquire one additional common share in the capital of the Company at a price of $0.07 per common share for a period of 24 months expiring June 12, 2022.

In connection with the private placement, the Company paid total cash issuance costs of $2,435.

The 6,740,000 warrants issued in connection with this private placement have been recorded at a value of $139,183 based on the proportional method using the Black Scholes pricing model, using the using the following assumptions: share price of $0.08, an average exercise price of $0.07, risk free interest rate of 0.28%, expected life of warrants of 2 years, annualized volatility rate of 145.5% (based on the Company's historical volatility for 2 years up to the issuance date) and dividend rate of 0%.

Fiscal 2020

(iii) On March 11, 2019, the Company completed a non-brokered private placement by issuing 10,000,000 units of the Company for gross proceeds of $500,000. Each unit consisted of (i) one common share at a price of $0.05 per common share and (ii) one common share purchase warrant. Each warrant entitles the holder thereof to acquire one additional common share in the capital of the Company at a price of $0.05 per common share for a period of 24 months expiring March 11, 2021.

In connection with the private placement, the Company paid total cash issuance costs of $12,150.

The 10,000,000 warrants issued in connection with this private placement have been recorded at a value of $220,138 based on the proportional method using the Black Scholes pricing model, using the using the following assumptions: share price of $0.105, an average exercise price of $0.05, risk free

1.9 LIQUIDITY AND CAPITAL RESOURCES (continued)

interest rate of 1.66%, expected life of warrants of 2 years, annualized volatility rate of 138.5% (based on the Company's historical volatility for 2 years up to the issuance date) and dividend rate of 0%.

(iv) On April 11, 2019, the Company completed a non-brokered private placement by issuing 2,062,500 units of the Company for gross proceeds of $165,000. Each unit consisted of (i) one common share at a price of $0.08 per common share and (ii) one common share purchase warrant. Each warrant entitles the holder thereof to acquire one additional common share in the capital of the Company at a price of $0.095 per common share for a period of 60 months expiring April 11, 2024.

In connection with the private placement, the Company paid total cash issuance costs of $4,005.

The 2,062,500 warrants issued in connection with this private placement have been recorded at a value of $81,027 based on the proportional method using the Black Scholes pricing model, using the using the following assumptions: share price of $0.125, an average exercise price of $0.095, risk free interest rate of 1.59%, expected life of warrants of 5 years, annualized volatility rate of 181.89% (based on the Company's historical volatility for 5 years up to the issuance date) and dividend rate of 0%.

Warrants exercised

Fiscal 2021

(i) During January and February 2021, 1,750,000 warrants were exercised at $0.07 for gross proceeds of $122,500. An amount of $36,138 representing the fair value allocated at the date of issue for the warrants was reclassified from the warrants reserve to share capital.

(ii) During January and February 2021, 5,360,000 warrants were exercised at $0.05 for gross proceeds of $268,000. An amount of $117,994 representing the fair value allocated at the date of issue for the warrants was reclassified from the warrants reserve to share capital.

(iii) During January and February 2021, 900,000 warrants were exercised at $0.07 for gross proceeds of $63,000. An amount of $19,416 representing the fir value allocated at the date of issue for the warrants was reclassified from the warrants reserve to share capital.

Fiscal 2020

(iv) On March 1, 2019, 600,000 warrants were exercised at $0.07 for gross proceeds of $42,000. An amount of $12,945 representing the fair value allocated at the date of issue for the warrants was reclassified from the warrants reserve to share capital.

(v) On March 5-11, 2019, 1,200,000 warrants were exercised at $0.16 for gross proceeds of $192,000. An amount of $49,320 representing the fair value allocated at the date of issue for the warrants was reclassified from warrants reserve to share capital.

1.9 LIQUIDITY AND CAPITAL RESOURCES (continued)

(vi) On October 15th, 2019, 200,000 warrants were exercised at $0.05 for gross proceeds of $10,000. An amount of $4,403 representing the fair value allocated at the date of issue for the warrants was reclassified from the warrants reserve to share capital.

(vii) On November 29, 2019, 3,200,000 warrants were exercised at $0.05 for gross proceeds of $160,000. An amount of $70,444 representing the fair value allocated at the date of issue for the warrants was reclassified from the warrants reserve to share capital.

(viii) On December 4, 2019, 526,320 warrants were exercised at $0.095 for gross proceeds of $50,000. An amount of $20,670 representing the fair value allocated at the date of issue for the warrants was reclassified from the warrants reserve to share capital.

(ix) On December 24, 2019, 196,000 warrants were exercised at $0.065 for gross proceeds of $12,740. An amount of $10,094 representing the fair value allocated at the date of issue for the warrants was reclassified from the warrants reserve to share capital.

(x) On January 15, 2020, 42,000 warrants were exercised at $0.065 for gross proceeds of $2,730. An amount of $2,869 representing the fair value allocated at the date of issue for the warrants was reclassified from the warrants reserve to share capital.

Warrants expired

Fiscal 2020

(i) On April 7, 2019, 4,350,000 warrants, with an exercise price of $0.16 per warrant, expired. An amount of $178,785 representing the fair value allocated at the date of issue for the warrants was reclassified from the warrants reserve to the contributed surplus reserve.

(ii) On April 7, 2019, 76,000 warrants, with an exercise price of $0.16 per warrant, expired. An amount of $4,841 representing the fair value allocated at the date of issue for the warrants was reclassified from the warrants reserve to the contributed surplus reserve.

(iii) On September 27, 2019, 500,000 warrants, with an exercise price of $0.16 per warrant, expired. An amount of $18,193 representing the fair value allocated at the date of issue for the warrants was reclassified from Warrants to Contributed Surplus.

The Company generates cash flow primarily from its financing activities and by generating revenue by providing services using its CARDS system.

1.10 MARKETABLE SECURITIES

On February 28, 2021, the Company held the following marketable securities:

Company	Shares Held	Cost $	Fair Value $	Fair Value Increase (Decrease) $
AurCrest Gold Inc. (6)	300,000	18,000	69,000	51,000
BWR Exploration Inc. (1)	1,500,000	75,000	60,000	(15,000)
Chilean Metals Inc (5)	1,400,000	140,000	588,000	448,000
Flow Metals Corp. (2)	1,100,000	115,000	77,000	(38,000)
Pacton Gold Inc. (3)	145,833	175,000	99,166	(75,834)
Playfair Mining Ltd.	2,000,000	100,000	240,000	140,000
Puma Exploration Inc. (4)	500,000	75,000	100,000	25,000
Quebec Precious Metals Corporation	562,553	123,762	135,013	11,251
		821,762	1,368,179	546,417

(1) 750,000 share purchase warrants exercisable at $0.075 per share for two years and $0.10 per share for the third year were also received.

(2) The Company received 100,000 common shares pursuant to the Option Agreement. On June 22, 2020, the company's shares were listed for trading on the Canadian Securities Exchange and the Company received 500,000 common shares. An additional 500,000 common shares were received on the first anniversary of the Option Agreement.

(3) 1,458,333 share purchase warrants exercisable at $0.18 per share for two years were also received. On June 9, 2020, a 10 for 1 share consolidation reduced the number of shares held to 145,833.

(4) 7,000,000 common shares were purchased and a 10 for 1 share consolidation reduced the number of shares held to 700,000. On November 17, 2020, the Company sold 200,000 shares for an amount of $44,232 resulting in a $14,232 realized gain.

(5) 1,400,000 half share purchase warrants, (700,000 full warrants) exercisable at $0.15 per share for two years were also received.

(6) The Company received 300,000 common shares from AurCrest Gold Inc. from a CARDS agreement signed on August 31, 2020. The Company will receive a further $25,000 and 400,000 common shares if one of the high-priority targets identified is drilled by August 31, 2022.

Pursuant to a CARDS agreement signed on June 22, 2020, for each target that Durango Resources Inc. ("Durango") stakes or options from another company, the Company will receive a 2% net smelter return ("NSR"). Durango will have the option to acquire 1% of this NSR for $1,000,000 anytime within five years of the economic discovery.

The Company received 200,000 options from BTU Metals Corp., exercisable at $0.30 for 18 months from a CARDS agreement signed on July 5, 2020.

1.10 MARKETABLE SECURITIES (continued)

Following is a summary of warrants and options held by the Company as at February 28, 2021:

Company	Number of purchase varrants/options held	Exercise price $	Expiry Date
Warrants			
BWR Exploration Inc.	750,000	0.075/0.10 *	September 30, 2022
Chilean Metals Inc.	700,000	0.15	September 27, 2022
Pacton Gold Inc.	145,833	1.80	December 23, 2021
Puma Exploration	700,000	0.20	September 27, 2023
Options			
BTU Metals Corp.	200,000	0.30	January 5, 2022

* $0.075 per share for two years and $0.10 per share for the third year.

Subscription paid
On August 30, 2019, the Company subscribed for 2,000,000 units of customer Chilean Metals Inc. at $0.05 per unit for a total of cost of $100,000. Each unit is comprised of one common share of the company and one common share purchase warrant. Each warrant is exercisable at $0.05 per common share for two years.

On September 27, 2020, the private placement of Chilean Metals Inc. closed, converting the subscribed $100,000 to 1,000,000 units at $0.10 per unit. Additionally, the Company purchased 400,000 units through a CARDS service agreement in the same placement. Each unit is comprised of one common share and half of a common share purchase warrant. Each full warrant is exercisable at $0.15 per common share for two years.

1.11 CAPITAL MANAGEMENT

When managing capital, the Company's objective is to ensure the entity continues as a going concern as well as to achieve optimal returns to shareholders and benefits for other stakeholders. Management adjusts the capital structure as necessary in order to support the acquisition, exploration and development of its mineral properties and to further develop its CARDS consulting services business as described in notes 4 g) and 8. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management team to sustain the future development of the business. The Company considers its capital to be equity attributable to equity holders of the parent company, which is comprised of share capital, reserves and deficit which as at February 28, 2021, totaled a surplus of $2,955,840 (February 29, 2020 – a surplus of $866,946).

The properties in which the Company currently has an interest are in the exploration stage. As such the Company is dependent on external financing to fund its activities.

In order to carry out its planned exploration programs and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts when economic conditions permit it to do so.

Management has chosen to mitigate the risk and uncertainty associated with raising additional capital in current economic conditions by:

1.11 CAPITAL MANAGEMENT (continued)

(i) minimizing discretionary disbursements;

(ii) focusing financing exploration expenditures on those properties considered to have the best potential; and

(iii) Exploring alternative sources of liquidity by providing services using CARDS.

In light of the above, the Company will continue to assess new properties and seek to acquire an interest in additional properties if the Company thinks there is sufficient potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is appropriate.

The Company's capital management objectives, policies and processes have remained unchanged during the year ended February 28, 2021 and the year ended February 29, 2020.

1.12 OFF-BALANCE SHEET ARRANGEMENTS

As of February 28, 2021, and February 29, 2020, the Company had no off-balance sheet arrangements.

1.13 RELATED PARTY TRANSACTIONS

Related parties include the Board of Directors and key management personnel as well as close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions. Unless otherwise stated, none of the transactions incorporated special terms and conditions and no guarantees were given or received. These transactions were measured by the exchange amount that is the amount agreed upon by the transacting parties and are on terms and conditions similar to non-related entities.

(a) <u>Transactions with key management personnel</u>

Remuneration of key management personnel of the Company was as follows:

	2021 $	2020 $
Consulting fees	122,000	136,822
Commissions	3,500	-
Commissions – CARDS (CEO)	43,775	67,000
Salaries and benefits (CEO)	120,000	119,998
Share-based compensation	161,850	108,410
	451,125	432,230

As at February 28, 2021, directors and key management personnel were owed $16,922 (February 29, 2020 - $62,150), which is included in accounts payables and accrued liabilities.

The Company entered into the following transactions with key management personnel:

1.13 RELATED PARTY TRANSACTIONS (continued)

On April 23, 2019, the Company entered into a Services Agreement (the "Agreement") with a consultant for the provision of the specified services which include acting as the Chairman of the Company's Board of Directors. Pursuant to the Agreement, the consultant received a grant of 800,000 stock options, will receive a fee of $5,000 per month as compensation and a bonus will be considered when the Company's share price reaches $0.35 and, thereafter, $0.45. Either party can terminate the Agreement (i) for convenience on the 30th day after giving written notice of termination or (ii) immediately for breach by giving written notice of termination. Within 30 days after the effective date of termination, the Company must pay all amounts owing to the consultant for services completed and accepted by the Company prior to the termination date. The term of the Agreement will continue until the later of the one-year term or such other date as may be agreed upon. On March 15, 2021, the consultant was appointed interim Chief Executive Officer ("CEO") of the Company.

On March 1, 2020, the Company entered into a work agreement (the "WA") to retain the services of the employee as CEO and President of the Company. Pursuant to the WA, the CEO will receive an annual base salary of $120,000 and he is entitled to additional remuneration, being a bonus and commissions as follows:

- an annual performance bonus equal to 10% of total sales, from CARDS service contracts and/or data mining projects signed by him, for which cash has been received when the level of cash receipts from sales exceeds $300,000 before taxes during each fiscal year; and
- a 10% commission on sales of Cards services.

The CEO can terminate the WA by giving four weeks written notice. The Company can terminate the WA unilaterally and at its discretion, by paying the CEO 12 month's salary. In the event of termination resulting from a change of control, the Company will pay the CEO an amount equal to 12 months of the average monthly salary during the last 24 months preceding the termination of the WA. Additionally, the Company will be required to pay an amount equal to the exercise price of each option category multiplied by the number of options held the day before the change of control date. On that date, the CEO will exercise his options, the Company will retain the proceeds and the corresponding number of shares will be issued to the CEO. The WA is effective for an indefinite period. On March 15, 2021, the employee resigned as CEO and President of the Company and the WA was amended as follows:

- his title was changed to Director of Sales;
- he is entitled to a commission of 20% of the cash portion of sales of CARDS services and/or data mining projects signed by him where the cash portion exceeds $100,000; and
- the WA will remain in effect for the next 12 months with a salary of $160,000.

On March 1, 2020, the Company entered into a consulting agreement (the "CA") to retain the services of the consultant as Chief Financial Officer ("CFO") of the Company. Pursuant to the CA, the consultant will receive a fee of $1,000 per month as total compensation. The consultant can terminate the CA by giving two months' notice. The Company can terminate the CA by giving written notice and paying the consultant three times his monthly fee. In the event of termination resulting from a change of control, the Company will pay the consultant an amount equal six times his monthly fee. Additionally, the Company will be required to pay an amount equal to the exercise price of each option category multiplied by the number of options held the day before the change of control date. On that date, the CFO will exercise his options, the Company will retain the proceeds and the corresponding number of shares will be issued to the CFO. The CA is effective for an indefinite period.

1.13 RELATED PARTY TRANSACTIONS (continued)

On March 1, 2020, the Company entered into a consulting agreement ("CA2") with a company controlled by the CFO of the Company to provide the specified services. Pursuant to CA2, the consultant will receive a fee of $5,000 per month as total compensation. The consultant can terminate CA2 by giving two months' notice. The Company can terminate CA2 by giving written notice and paying the consultant three times the monthly fee. In the event of termination resulting from a change of control, the Company will pay the consultant an amount equal to six times the monthly fee. CA2 is effective for an indefinite period. On March 25, 2021, CA2 was amended to increase the monthly fee to $9,500 effective March 1, 2021.

(b) <u>Transactions with related companies</u>

As at February 28, 2021, a related company was owed $14,772 (February 29, 2020 - $35,414), which is included in accounts payable and accrued liabilities.

	2021 **$**	**2020** **$**
Diagnos – consulting fees	133,727	102,951
Diagnos – commissions – CARDS	32,025	33,500
	165,752	136,451

The Company and Diagnos shared a common director until September 1, 2020 and the Company pays a commission of 5% of CARDS revenue to Diagnos pursuant to the Agreement.

During the year ended February 28, 2021, the Company earned $115,000 (2020 - $nil) in income from a company controlled by a director of the Company.

1.14 FINANCIAL INSTRUMENTS

Refer to Note 23 of the Company's February 28, 2021 financial statements for information regarding the Company's financial instruments.

1.15 INVESTOR RELATIONS ACTIVITY

The management of the Company has assumed the investor relations role.

1.16 CHANGES IN ACCOUNTING POLICIES

None

1.17 CHANGES IN MANAGEMENT

None

1.18 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Refer to Note 5 of the Company's audited February 28, 2021 financial statements for information regarding the Company's critical accounting estimates and judgments.

1.19 OUTSTANDING SHARE DATA

Common shares and convertible securities outstanding as at June 28th, 2021, are as follows:

Securities	Expiry date	Exercise price	Securities outstanding
Common shares	N/A	N/A	123,895,548
Warrants	Up to March 17, 2023	\$0.07 to \$0.50	32,882,847
Options	Up to May 10, 2026	\$0.05 to \$0.42	7,705,000

1.20 PROPOSED TRANSACTIONS

In the normal course of business, the Company evaluates property acquisition transactions and, in some cases, makes proposals to acquire such properties. These proposals, which are usually subject to Board and sometimes regulatory and shareholder approvals, may involve future payments, share issuances, and property work commitments. These future obligations are usually contingent in nature and generally the Company is only required to incur the obligation if it wishes to continue with the transaction.

1.21 EVENTS AFTER REPORTING PERIOD

On March 11, 2021, 100,000 options were exercised at \$0.09 for a total of \$9,000, resulting in the issuance of 100,000 shares.

On March 11, 2021, 1,240,000 warrants were exercised at \$0.05 for a total of \$62,000, resulting in the issuance of 1,240,000 shares.

On March 11, 2021, 300,000 warrants were exercised at \$0.07 for a total of \$21,000, resulting in the issuance of 300,000 shares.

On March 17th, 2021, the Company completed a private placement of \$3,500,000 by issuing 10,000,000 units at \$0.35 per unit. Each unit is composed of one share and one common share purchase warrant exercisable for 24 months at the price of \$0.50.

During April 2021, 450,000 options were exercised at \$0.07 for a total of \$31,500, resulting in the issuance of 450,000 shares.

On May 24, 2021, 40,000 warrants were exercised at \$0.07 for a total of \$2,800, resulting in the issuance of 40,000 shares.

On May 28, 2021, 1,600,000 warrants were exercised at \$0.08 for a total of \$128,000, resulting in the issuance of 1,600,000 shares.

On June 25, 2021, 100,000 warrants were exercised at \$0.08 for a total of \$8,000, resulting in the issuance of 100,000 shares.

1.22 NON-IFRS MEASURES

Throughout this document, the Company has provided measures prepared according to IFRS as well as some non-IFRS financial performance measures. Because the non-IFRS performance measures do not have any standardized definition prescribed by IFRS, they may not be comparable to similar measures presented by other

1.22 NON-IFRS MEASURES (continued)

companies. The Company provides these non-IFRS financial performance measures as they may be used by some investors to evaluate our financial performance. Accordingly, they are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. These non-IFRS financial performance measures were reconciled to reported IFRS measures within the document. (Refer to section 1.7 for description and reconciliation of those non-IFRS measures).

1.23 RISK AND UNCERTAINTIES

Company's obligations and budgeted expenditures through February 28, 2021. Any additional funding may be met in the future in a number of ways, including but not limited to, the issuance of new equity instruments. Cash flow forecasting is performed by the Company which monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs at all times. Surplus cash over and above balances required for working capital management are invested in interest bearing short-term deposits with a maturity within 12 months, which are selected with appropriate maturities or sufficient liquidity to provide sufficient head-room as determined by the above-mentioned forecasts. Accounts payable and accrued liabilities as at February 28, 2021, consist of items that should be settled within approximately 30 days. See note 2 of the financial statements for information on going concern.

i) 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. The Company is subject to concentrations of credit risk through cash and amounts receivable. The Company reduces its credit risk by maintaining part of its cash in financial instruments held with a Canadian chartered bank.

ii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet the obligations associated with its financial liabilities. Management estimates that the funds as at February 28, 2021 will be sufficient to meet the requirements until end of December 2021.

iii) Market risk

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

iv) Foreign currency risk

The Company's functional and reporting currency is the Canadian dollar and major purchases are transacted in Canadian dollars. The Company is therefore not exposed to fluctuations in the value of assets and liabilities as they are denominated in Canadian dollars.

v) Equity price risk

Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market.

1.23 RISK AND UNCERTAINTIES (continued)

vi) Environmental risk

The Company's exploration and evaluation activities are subject to laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its activities are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

vii) Cash flows from consulting income

The Company currently generates revenue and cash flows from its consulting services. The availability of these sources of funds and the Company's ability to maintain a network and attract additional customers will depend on a number of factors, many of which are outside of the Company's control. All of the Company's revenues have come from eight customers. The Company's contracts are generally short-term and the Company is actively seeking to diversify its customer base with longer-term contracts, the loss of any one of its customers or the inability to attract additional customers will result in a material adverse effect on the business and may adversely affect revenues going forward.

viii) Dependence on management and key personnel

The Company's future growth and its ability to develop, depend, to a significant extent, on its ability to attract and retain highly qualified staff. The Company relies on a limited number of key employees, consultants and members of senior management, and there is no assurance that the Company will be able to retain such personnel. The loss of one or more key employees, consultants or members of senior management, if such persons are not replaced, could have a material adverse effect on The Company's business, financial condition and prospects. To operate successfully and manage its potential future growth, The Company must attract and retain highly qualified engineering, managerial and financial staff. Competition for its personnel can be intense, and the Company cannot ensure that it will be able to bring in and retain highly skilled technical and management staff in the future. In addition, the Company may be obligated to increase the compensation paid to current or new staff, which could substantially increase operating expenses.

ix) Technological changes

The Company's consulting services and investing divisions operate in business segments that are entirely dependent on technology and the internet. As such, technological change will impact the ability of the Company to expand and grow its business and will affect the costs and expenses incurred by the Company, including capital requirements. There is a risk that new technologies and standards may render the Company's software applications obsolete. The Company may be required to invest significant capital in new technology and software development to remain competitive.

1.23 RISK AND UNCERTAINTIES (continued)

x) Private issuers and illiquid securities

The Company invests in securities of private issuers. Investments in private issuers cannot be resold without a prospectus, an available exemption or an appropriate ruling under relevant securities legislation and there may not be any market for such securities. These limitations may impair the Company's ability to react quickly to market conditions or negotiate the most favourable terms for exiting such investments. Investments in private issuers may offer relatively high potential returns, but will also be subject to a relatively high degree of risk. There can be no assurance that a public market will develop for any of the Company's private company investments or that the Company will otherwise be able to realize a return on such investments. The Company also invests in illiquid securities of public issuers. A considerable period of time may elapse between the time a decision is made to sell such securities and the time the Company is able to do so, and the value of such securities could decline during such period. Illiquid investments are subject to various risks, particularly the risk that the Company will be unable to realize the Company's investment objectives by sale or other disposition at attractive prices or otherwise be unable to complete any exit strategy. In some cases, the Company may be prohibited by contract or by law from selling such securities for a period of time or otherwise be restricted from disposing of such securities. Furthermore, the types of investments made may require a substantial length of time to liquidate.

xi) Investment risks

The Company will acquire securities of public and private companies from time to time, which are primarily junior or small-cap companies. Poor investment performance could impair revenues and growth. The market values of the securities can experience significant fluctuations in the short and long term due to factors beyond the Company's control. Market value can be reflective of the actual or anticipated operating results of the companies and/or the general market conditions in a specific sector as a whole, such as fluctuations in commodity prices and global political and economic conditions. The Company's investments will be carried at fair value, and unrealized gains/losses on the securities and realized losses on the securities sold could have a material adverse impact on the Company's operating results. There is no assurance that The Company will be able to achieve or maintain any particular level investment return, which may have a material adverse impact on its ability to attract investors. Furthermore, the junior mining space tends to be more volatile than the general market indices. This volatility combined with negative or poor performance could combine to lead to a reduction in investor interest.

xii) Reliance on a single product

A decline in the growth of demand for these products would have a material adverse effect on our operating results and growth prospects. Because the Company is currently substantially dependent on CARDS as its only product, factors such as changes in customer preferences may have a disproportionately greater impact on the

Company than if it derived significant revenue from multiple lines of products. There can be no assurance that Cards technology will attain or maintain long-term customer appeal. If customer interest in CARDS technology in general declines, or if there is increased competition in the AI market for detection technology. The Company's future performance will be dependent on its ability to design, develop, manufacture, assemble, test, market and support its current products, as well as to continue developing new products and enhancing its current products, in a timely and cost effect manner on behalf of its customers. The Company's existing contractual relationships gives it confidence in its ability to achieve sales and maintain a customer base within its target industries, notwithstanding the risks outlined above. The Company has, and will continue to, invest in new product development to expand its business within existing markets

1.24 DISCLAIMER

The information provided in this document is not intended to be a comprehensive review of all matters and developments concerning the Company. It should be read in conjunction and in context with all other disclosure documents of the Company. The information contained herein is not a substitute for detailed investigation or analysis on any particular issue. No securities commission or regulatory authority has reviewed the accuracy of the information presented.

(s)''Simran Kamboj''	*(s)''Daniel Bélisle''*
Simran Kamboj	Daniel Bélisle
President and Chief Executive Officer	Chief Financial Officer