Management's Discussion and Analysis
For the Six Months Ended January 31, 2021 and 2020

DATE AND SUBJECT OF REPORT

The following is management's discussion and analysis ("MD&A") in respect of the results of operations and financial position of Maxtech Ventures Inc. ("Maxtech" or the "Company") for the six months ended January 31, 2021 and 2020 and should be read in conjunction with the unaudited condensed interim consolidated financial statements (the "financial statements") for the six months ended January 31, 2021 and 2020. The financial statements and MD&A of the Company are presented in Canadian dollars and prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. References to "US$" are to United States dollars. Additional information relating to the Company's operations and activities can be found by visiting the Company's website at www.maxtech-ventures.com. You may also access the Company's disclosure documents through the Internet on the Canadian System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com.

The first, second, third and fourth quarters of the Company's fiscal years are referred to as "Q1", "Q2", "Q3" and "Q4", respectively. The years ended July 31, 2021 and 2020, are also referred to as "fiscal 2021" and "fiscal 2020".

The effective date of this MD&A is March 26, 2021.

FORWARD-LOOKING INFORMATION

This MD&A may contain "forward-looking statements" which reflect the Company's current expectations regarding the future results of operations, performance and achievements of the Company, including but not limited to statements with respect to the Company's plans or future financial or operating performance, the estimation of mineral reserves and resources, conclusions of economic assessments of projects, the timing and amount of estimated future production, costs of future production, future capital expenditures, costs and timing of the development of deposits, success of exploration activities, permitting time lines, requirements for additional capital, sources and timing of additional financing, realization of unused tax benefits and future outcome of legal and tax matters.

The Company has tried, wherever possible, to identify these forward-looking statements by, among other things, using words such as "anticipate", "believe", "estimate", "expect", "budget", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved".

The statements reflect the current beliefs of the management of the Company and are based on currently available information. Accordingly, these statements are subject to known and unknown risks, uncertainties and other factors, which could cause the actual results, performance, or achievements of the Company to differ materially from those expressed in, or implied by, these statements. These uncertainties are factors that include but are not limited to risks related to international operations; risks related to general economic conditions; actual results of current exploration activities and unanticipated reclamation expenses; fluctuations in prices of gold and other commodities; fluctuations in foreign currency exchange rates; increases in market prices of mining consumables; possible variations in mineral resources, grade or recovery rates; accidents, labour disputes, title disputes, claims and limitations on insurance coverage and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; changes in national and local government regulation of mining operations, tax rules and regulations, and political and economic developments in countries in which the Company operates; as well as other factors.

The Company's management periodically reviews information reflected in forward-looking statements. The Company has and continues to disclose in its MD&A and other publicly filed documents, changes to material factors or assumptions underlying the forward-looking statements and to the validity of the statements themselves, in the period the changes occur. Historical results of operations and trends that may be inferred from the following discussions and analysis may not necessarily indicate future results from operations.

The operations of the Company are speculative due to the high-risk nature of its business which is the exploration of mining properties. Additional risks and uncertainties not presently known to the Company or that the Company currently considers immaterial may also impair its business operations. These risk factors could materially affect the Company's future operating results and could cause actual events to differ materially from those described in forward-looking statements relating to the Company. Readers should refer to Risks and Uncertainties below.

DESCRIPTION OF BUSINESS

Maxtech was incorporated on April 19, 2000 under the laws of the province of British Columbia, Canada. The Company's shares are traded on the Canadian Securities Exchange (the "CSE") under the symbol "MVT". The Company is in the business of exploration and evaluation of mineral property interests in Canada.

The head office, principal address and records office of the Company are located at 702 – 595 Howe Street, Vancouver, B.C. V6C 2T5.

DIRECTORS AND OFFICERS OF THE COMPANY

The Board of Directors of the Company consists of Peter Wilson, Eugene Hodson and Santokh Sahota. The management team of the Company is comprised of Peter Wilson (CEO and Director) and Stephen Brohman, CPA, CA (CFO).

OUTLOOK

The Company is focused on the exploration of its mineral properties, as well as defining and expanding its mineral resources both through exploration programs, staking, and acquisition. The Company intends to seek additional financing to support these activities. The Company also intends to seek out accretive acquisition opportunities to increase shareholder value

GOING CONCERN

The financial statements are prepared on a going concern basis, which contemplates 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 business. As at January 31, 2021, the Company is not able to finance day to day activities through operations and had recurring losses since inception. For the six months ended January 31, 2021, the Company incurred a net loss of $259,071. As of that date, the Company had a deficit of $20,204,441 and a working capital deficit of $191,745. Although the Company completed a financing subsequent to January 31, 2021, there is no certainty that additional financing at terms that are acceptable to the Company will be available going forward, and an inability to obtain financing would have a direct impact on the Company's ability to continue as a going concern. These conditions indicate a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with the proceeds from equity financings.

These financial statements do not reflect the adjustments to the carrying values and classifications of assets and liabilities that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

EXPLORATION AND EVALUATION ASSETS

	Panama Lake Gold Project $	Lac Patu Vanadium Project $	James Bay Project $	St. Anthony Gold Project $	Other $	Total $
Balance, August 1, 2019	-	165,000	-	-	17,566	182,566
Acquisition	174,400	-	5,000	-	-	179,400
Drilling	260,703	-	-	-	-	260,703
Geologist and consulting	121,657	-	-	-	(3,863)	117,794
Helicopter	128,323	-	-	-	-	128,323
Travel	50,007	-	-	-	-	50,007
Impairment	-	(165,000)	-	-	-	(165,000)
Balance, July 31, 2020	735,090	-	5,000	-	13,703	753,793
Balance, August 1, 2020	735,090	-	5,000	-	13,703	753,793
Acquisition	100,000	-	-	572,264	-	672,264
Administration	-	-	535	2,921	-	3,456
Bridge construction	-	-	-	120,360	-	120,360
Geologist and consulting	1,678	-	-	77,800	-	79,478
Travel	795	-	-	16,682	-	17,477
Impairment	-	-	-	-	(13,703)	(13,703)
Balance, January 31, 2021	**837,563**	**-**	**5,535**	**790,027**	**-**	**1,633,125**

Panama Lake Gold Project

On October 22, 2019, the Company entered into an Option agreement with Benton Resources Inc. ("BEX") to acquire the right to acquire a 100% interest in BEX's Panama Lake Gold Project in the Red Lake Mining district, Ontario. The purchase and sale of the Claims is conditional upon the following:

- Acceptance for filing of this agreement on behalf of the issuer by the Canadian Securities Exchange;
- The issuance of 2,000,000 shares upon signing the agreement (issued on October 25, 2019 with a fair value of $170,000);
- The payment of either $100,000 cash or the equivalent and expenditures by the issuer of $200,000 on the property by the first anniversary (issued 1,666,666 common shares with a fair value of $100,000 on November 13, 2020); and
- The payment of either $100,000 cash or the equivalent and expenditures by the issuer of $250,000 on the property by the second anniversary.

At this stage, the Company will have earned a 50% interest in the Project. To earn an additional 20% interest, the following is required:

- The payment of either $100,000 cash or the equivalent and expenditures by the issuer of $250,000 on the property by the third anniversary.

At this stage, the Company will have earned a 70% interest in the Project. To earn the final 30% interest, the following is required:

- The payment of either $300,000 cash or the equivalent and expenditures by the issuer of $300,000 on the property by the fourth anniversary.

The Panama Lake Gold Project originally comprised 77 single and multi-cell claims totaling 9,886 hectares (99 sq km). Since then, the Company acquired three additional multi-cell blocks to the southwest covering nearly 10 sq km, to cover an area where historical work by Goldcorp completed soil geochemical surveys and where recent aeromagnetic data indicate features of interest. To the northeast, three additional multi-cell blocks covering just over 10 sq km were staked to cover the Upper Slate Lake area, bringing the property total to 11,886 hectares (11.9 sq km).

A prospecting-exploration program was carried out on the Panama Lake Gold Project by the Company from May 15 to June 1, 2020. Just over 1,800 meters of drilling was completed in four holes. Observations made in the field during this two-week long program have largely corroborated previous geological mapping by the Ontario Geological Survey and previous workers in terms of the volcanic and sedimentary lithologies found on the Project.

Lac Patu Vanadium Project

On August 15, 2019, the Company entered into an option agreement to acquire 100% of the Lac Patu Vanadium Project over a 2-year period. The Lac Patu Vanadium Project consists of mineral claims located in Quebec, Canada.

In order to earn the 100% interest, the Company is required to make cash payments totalling $185,000 and issue 3,250,000 common shares as follows:

- Pay $45,000 (paid) and issue 750,000 common shares (issued on November 20, 2019 with a fair value of $120,000) on signing;
- Pay $60,000 and issue 1,000,000 common shares twelve months after signing (not issued); and
- Pay $80,000 and issue 1,500,000 common shares twenty-four months after signing.

The property is subject to a 2% net smelter royalty (“NSR”). The Company may purchase 1% of the NSR for a cash payment of $1,000,000.

The Company abandoned its interest in the Lac Patu Vanadium Project during the three months ended March 31, 2020 and therefore recorded an impairment equal to the carrying value of the asset.

In connection with the termination of the option agreement, the Company agreed to issue a total of 240,000 units with a fair value of $15,963 on March 31, 2020.

James Bay Project

In January 2020, the Company signed a land package acquisition in James Bay Quebec. The Company owns 100% of the James Bay Project in a gold district in the same greenstone belt as the recent Azimut Exploration Elmer Property.

St. Anthony Gold Project

On October 14, 2020 (the “Effective Date”), the Company entered into a Definitive Joint Venture Earn-in Agreement (the “JV Agreement”) with Magabra Resources Inc. (“Magabra”), which superseded a Letter of Intent dated August 10, 2020. Pursuant to the JV Agreement, the Company and Magabra will jointly explore a series of claims compiling the St. Anthony Gold Project located in the Kenora-Patricia mining district in Ontario, Canada.

Pursuant to the JV Agreement, the Company can earn an initial 8% interest (the “First Option”) as follows:

- Issuing to Magabra a total of 4,000,000 common shares (issued at a fair value of $260,000 ($0.065 per share)) (note 4(e));
- Payment of $300,000 to Magabra (paid);
- Completing a financing of at least $3,000,000 within 30 days of the Effective Date; and
- Issuing to Magabra a total of 400,000 warrants with an exercise price of $0.08 and a maturity date that is two years from issuance (issued at a fair value of $12,264) (note 4).

The Company can earn an additional 8% interest (the “Second Option”) as follows:

- On completion of the First Option, completing a financing of at least $3,000,000 within 30 days.

The Company can earn an additional 34% interest (the “Third Option”) as follows:

- On completion of the Second Option, completing a financing of at least $12,000,000 within 12 months of the Effective Date.

On completion of the Third Option, the Company will have earned a 50% interest in the claims. Further, the JV Agreement includes the provision for a bonus payment to Magabra in the form of 4,000,000 common shares of the Company, so long as Magabra has a continued interest in the claims and upon completion of a National

Instruments 43-101 compliant proven resource calculation for the first 1,000,000 ounces of gold identified, with an additional 1,000,000 common shares issuable for each additional 1,000,000 ounces under similar resource calculations.

Magabra will serve as project manager for all work programs to be conducted on the claims. As at January 31, 2021, the Company has advanced $300,191 towards future exploration work. Subsequent to the period ended January 31, 2021 the Company has re-evaluated the agreement with Magabra and signed a new Agreement.

SELECTED ANNUAL INFORMATION

The following table summarizes selected financial data for Maxtech for each of the three most recently completed fiscal years. The information set forth below should be read in conjunction with the audited consolidated annual financial statements of the same years.

	Year ended July 31, 2020	Year ended July 31, 2019	Year ended July 31, 2018
	$	$	$
Total assets	826,634	188,353	600,270
Total liabilities	586,662	347,733	333,689
Operating expenses	(1,016,418)	(505,454)	(2,544,131)
Gain on debt settlement	-	105,000	-
Impairment charges	(165,000)	(445,507)	-
Termination fee	(15,963)	-	-
Claim maintenance expense	(15,000)	-	-
Other income	36,964	-	-
Net loss	(1,175,417)	(845,961)	(2,544,131)
Basic and diluted loss per share	(0.02)	(0.02)	(0.05)

The Company has not earned revenue from operations and does not expect to earn revenue from operations in the near future.

SUMMARY OF QUARTERLY RESULTS

The selected quarterly information for the past eight quarters is outlined below.

	2021		2020				2019	
	Q1	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Cash	154,117	198,804	59,716	285,511	2,996	121,325	-	942
Working capital deficit	(191,745)	(171,110)	(513,821)	(78,047)	(295,198)	(100,260)	(341,946)	(168,344)
Total assets	2,096,660	1,576,537	826,634	525,106	394,311	531,788	188,353	634,873
Shareholders' equity	1,741,571	1,191,813	239,972	161,548	65,760	229,346	(159,380)	459,730
Loss per share	(0.00)	(0.00)	(0.01)	(0.00)	(0.00)	(0.00)	(0.01)	(0.00)

The fluctuation of the Company's loss is mainly related to the amount of business activities done in each particular quarter plus various one-time expenses, asset impairments and other income.

The Company is currently seeking new business opportunities and currently does not have significant operations. Thus, its loss is not subject to seasonality in the past and the Company will curtail its expenses before successfully acquiring or developing a new business operation. Management expects the Company's quarterly results will fluctuate in the future with the amount of business activities conducted and the incidental events that may happen in the future.

RESULTS OF OPERATIONS

Three months ended January 31, 2021 and 2020

The Company incurred a net and comprehensive loss of $162,288 for the three months ended January 31, 2021 compared to $398,069 for the comparable period. The Company had a decreased operating activity for the three months ended January 31, 2021 versus the three months ended January 31, 2020, as illustrated by a significant decrease in operating expenses of approximately $214,000, from approximately $398,000 in the three months ended January 31, 2020 to approximately $184,000 for the current quarter. The Company's current period operating expenses were largely consistent with those incurred during the three months ended January 31, 2020 with the exception of share-based compensation.

Within operating expenses, the most notable variations pertained to the following:

- Increase of approximately $52,000 in consulting and management fees, from approximately $76,000 during the three months ended January 31, 2020 to approximately $128,000 for the current quarter ended January 31, 2021;
- Increase of approximately $26,000 in professional fees, from approximately $9,000 during the three months ended January 31, 2020 to approximately $35,000 for the current quarter ended January 31, 2021; and
- Decrease of approximately $50,000 in public relations and advertising from approximately $51,000 during the three months ended January 31, 2020 to approximately $1,000 for the current quarter ended January 31, 2021.
- Decrease of approximately $234,000 in share-based compensation from approximately $234,000 during the three months ended January 31, 2020 to approximately $nil for the current quarter ended January 31, 2021.

All other operating expenses were comparable between periods.

Six months ended January 31, 2021 and 2020

The Company incurred a net and comprehensive loss of $259,000 for the six months ended January 31, 2021 compared to $483,000 for the comparable period. The Company had a decreased operating activity for the six months ended January 31, 2021 versus the six months ended January 31, 2020, as illustrated by a significant decrease in operating expenses of approximately $212,000, from approximately $483,000 in the six months ended January 31, 2020 to approximately $271,000 for the current period. The Company's current period operating expenses were largely consistent with those incurred during the six months ended January 31, 2020 with the exception of share-based compensation.

Within operating expenses, the most notable variations pertained to the following:

- Increase of approximately $52,000 in consulting and management fees, from approximately $135,000 during the six months ended January 31, 2020 to approximately $187,000 for the current period ended January 31, 2021;
- Increase of approximately $36,000 in professional fees, from approximately $17,000 during the six months ended January 31, 2020 to approximately $35,000 for the current period ended January 31, 2021; and
- Decrease of approximately $47,000 in public relations and advertising from approximately $51,000 during the six months ended January 31, 2020 to approximately $4,000 for the current period ended January 31, 2021.
- Decrease of approximately $234,000 in share-based compensation from approximately $234,000 during the six months ended January 31, 2020 to approximately $nil for the current period ended January 31, 2021.

All other operating expenses were comparable between periods.

LIQUIDITY AND CAPITAL RESOURCES

During the six months ended January 31, 2021, the Company's cash outflows were approximately $208,000 in respect of operating activities, compared to approximately $223,000 for the comparative period ended January 31, 2020. Further, the Company realized approximately $1,367,000 in cash flows from financing activities via the issuance of shares/units for cash, net of share issue costs, compared to approximately $277,000 for the comparative period ended January 31, 2020. Lastly, the Company expended approximately $1,065,000 in cash on investing activities associated with the exploration of the Company's mineral property interests and advances towards future exploration activities on the Company's St. Anthony Gold Project. The Company expended approximately $51,000 on exploration and evaluation activities during the comparative period ended January 31, 2020.

The Company has relied on cash from financing activities to support its operations and investments. On January 31, 2021, the Company was in a working capital deficiency position, which was offset by a financing that completed subsequently.

Financing activities for the six months ended January 31, 2021 consisted of the following:

(a) On September 4, 2020, the Company completed the first tranche of a non-flow-through unit offering consisting of the sale of 12,128,824 non-flow-through units at a price of $0.085 per non-flow-through unit for gross proceeds of $1,030,950. Each non-flow-through unit consists of one non-flow-through common share and one share purchase warrant, with each warrant being exercisable into a non-flow-through common share at an exercise price of $0.12 until September 4, 2023. No residual value was allocated to the warrant component of the units issued.

    In connection with the unit offering completed, the Company paid finders' fees of $6,626 and issued a total of 66,400 finders' warrants, with each warrant being exercisable into a non-flow-through common share of the Company at an exercise price of $0.12 until September 4, 2023. The fair value of the finders' warrants was determined to be $3,090 using the Black-Scholes option pricing model with the following inputs: i) exercise price: $0.12; ii) share price: $0.085; iii) term: 3 years; iv) volatility: 100%; v) discount rate: 0.40%.

(b) Concurrent with the financing, on September 4, 2020, the Company issued 444,706 non-flow-through units to settle debt totalling $37,800. No gain or loss was recognized in connection with the debt settlement.

(c) On November 4, 2020, the Company completed the second tranche of a non-flow-through unit offering consisting of the sale of 311,647 non-flow-through units at a price of $0.085 per non-flow-through unit for gross proceeds of $26,490. Each non-flow-through unit consists of one non-flow-through common share and one share purchase warrant, with each warrant being exercisable into a non-flow-through common share at an exercise price of $0.12 until November 4, 2023.

    The Company also completed the first tranche of a flow-through unit offering whereby it issued a total of 2,303,000 flow-through units at a price of $0.095 per flow-through unit for gross proceeds of $218,785. Each flow-through unit consists of one flow-through common share and one share purchase warrant, with each warrant being exercisable into a non-flow-through common share at an exercise price of $0.12 until November 4, 2021.

    In connection with the unit offerings completed, the Company paid finders' fees of $10,438 and issued 20,580 finders' warrants exercisable at a price of $0.12 until November 4, 2023, 1,236 finders' warrant exercisable at $0.085 until November 4, 2022, and 161,210 finders' warrants exercisable at $0.095 until November 4, 2022. All finders' warrants are exercisable into non-flow-through common shares of the Company. The fair value of the finders' warrants was determined to be $5,828 using the Black-Scholes option pricing model with the following weighted average inputs: i) exercise price: $0.10; ii) share price: $0.07; iii) term: 2.13 years; iv) volatility: 100%; v) discount rate: 0.27%.

    Concurrent with the financing, the Company issued 195,000 common shares to settle debt totalling $19,500. In connection with the debt settlement.

(d) On November 13, 2020, the Company issued 1,666,666 common shares with a total fair value of $100,000 ($0.06 per share) in connection with the Panama Lake Gold Project option agreement (note 3).

(e) On November 4, 2020, the Company issued 4,000,000 common shares to Magabra in connection with JV Agreement on the St. Anthony Gold Project (note 3). The Company also issued 400,000 warrants to Magabra, exercisable at $0.08 for a period of two years (note 3).

(f) On December 31, 2020, the Company completed the second tranche of a flow-through unit offering consisting of the sale of 868,421 flow-through units at a price of $0.095 per flow-through unit for gross proceeds of $82,500. Each flow-through unit consists of one flow-through common share and one share purchase warrant, with each warrant being exercisable into a non-flow-through common share at an exercise price of $0.12 until December 31, 2021.

    In connection with the unit offering completed, the Company paid finders' fees of $1,750 and issued 18,421 finders' warrants exercisable at a price of $0.10 until December 31, 2022. The finders' warrants are exercisable into non-flow-through common shares of the Company. The fair value of the finders' warrants was determined to be $707 using the Black-Scholes option pricing model with the following inputs: i) exercise price: $0.10; ii) share price: $0.08; iii) term: 2 years; iv) volatility: 100%; v) discount rate: 0.20%.

The Company considers its components of shareholders' equity as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable level of risk.

The Company manages and adjusts the capital structure considering changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents.

The Company's capital is not subject to external restriction.

TRANSACTIONS WITH RELATED PARTIES

During the six months ended January 31, 2021, the Company paid or accrued $75,000 in management fees to the Chief Executive Officer ("CEO") or a company in which the CEO is a partner of (2020 - $67,500). As at January 31, 2021, $23,190 is included in due to related parties for amounts to the CEO or a company in which the CEO is a partner (July 31, 2020 - $2,190).

During the six months ended January 31, 2021, the Company paid or accrued $nil in geological consulting fees to a company controlled by the Company's former Vice President of Exploration ("VPE"), who had resigned in June 2020. As at January 31, 2021, $6,215 (July 31, 2020 - $6,215) is included in due to related parties for amounts due to the former VPE.

During the six months ended January 31, 2021, the Company pair or accrued $12,000 in professional fees to a company in which the Chief Financial Officer ("CFO") has significant influence. As at January 31, 2021, $2,100 (July 31, 2020 - $nil) is included in due to related parties for amounts due to the company in which the CFO has significant influence.

During the six months ended January 31, 2021, no stock options were granted to Directors or Officers of the Company. During the six months ended January 31, 2020, a total of 2,400,000 stock options were granted to Directors and Officers with a fair value of $133,990.

PROPOSED TRANSACTIONS

There are no proposed transactions that may materially affect the performance of the Company.

SUBSEQUENT EVENTS

The Company has reported the following events occurring subsequent to January 31, 2021:

(a) On February 11, 2021, the Company completed the third tranche of a non-flow-through unit offering consisting of the sale of 3,658,823 non-flow-through units at a price of $0.085 per non-flow-through unit for gross proceeds of $311,000. Each non-flow-through unit consists of one non-flow-through common share and one share purchase warrant, with each warrant being exercisable into a non-flow-through common share at an exercise price of $0.12 until February 11, 2024.

The Company also completed the third tranche of a flow-through unit offering whereby it issued a total of 4,368,421 flow-through units at a price of $0.095 per flow-through unit for gross proceeds of $415,000. Each flow-through unit consists of one flow-through common share and one share purchase warrant, with each warrant being exercisable into a non-flow-through common share at an exercise price of $0.12 until February 11, 2022.

In connection with the unit offerings completed, the Company paid finders' fees of $36,190 and issued 84,000 finders' warrants exercisable at a price of $0.12 until February 11, 2023, and 305,789 finders' warrants exercisable at $0.095 until February 11, 2023. All finders' warrants are exercisable into non-flow-through common shares of the Company.

(b) On March 15, 2021, the Company and Magabra signed a new option agreement whereby the Company now has the an exclusive right to acquire an undivided 100% interest in the St. Anthony gold mine property. The first phase of a 5,000 metre initial drill program continues and Magabra remains the operator in respect to drilling and production at the property.

Magabara and the Company have agreed to accelerate the first option of a 30% undivided interest in the property, which will be earned as follows. Under this first option, the Company's prior commitment to the first 5,000 metre drill program of approximately $1,500,000 remains in place. The Company will issue to Magabra under a voluntary escrow agreement 30,000,000 restricted common shares with no one shareholder having greater than 10% of the issued and outstanding shares of the Company, such shares to be released as follows: 10% or 3,000,000 restricted shares issuance immediately with a 4 month hold legend, and 15% every 6 months thereafter with each release having the same terms. Magabra also has the right to appoint 2 directors to the board of the Company.

The Company has a second option to earn a total of 65% with an additional 35% interest in the property. This option will include the next drill phase of 10,000 metres at an approximated drill budget cost of $1,500,000 per 5,000 metres. Magabra will be required to produce a 43-101 report of mineral reserves after the 15,000 metre drill program to the Company.

The Company can acquire the remaining 35% interest for a full 100% ownership at the St. Anthony gold property by committing to another drill program for further exploration on the property of $3,000,000.

SHARE DATA

As at the date of this MD&A, the Company has 105,519,978 common shares, 30,717,360 share purchase warrants, and 6,700,000 stock options outstanding.

OFF-BALANCE SHEET ARRANGEMENTS

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

CRITICAL ACCOUNTING ESTIMATES

The preparation of the financial statements in conformity with IFRS requires management to select accounting policies and make estimates and judgments that may have a significant impact on the financial statements. Estimates are continuously evaluated and are based on management's experience and expectations of future events that are believed to be reasonable under the circumstances. Actual outcomes may differ from these estimates.

See note 2 in the unaudited condensed interim consolidated financial statements for the six months ended January 31, 2021 and 2020 for additional information.

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

There were no changes to the Company's accounting policies during the six months ended January 31, 2021.

FINANCIAL INSTRUMENTS

See notes 2 and 8 in the unaudited condensed interim consolidated financial statements for the six months ended January 31, 2021 and 2020 for additional information.

CONTINGENCY

The Company has received a statement of claim in respect of a mining property that the Company has abandoned. The Company is currently not in a position to determine what portion of the amount, if any, it will be liable for, but it is expected to be less than $80,000 and the issuance of 1,000,000 common shares. As at July 31, 2020 and January 31, 2021, the Company has accrued $15,000 for claim maintenance fees that it has agreed to reimburse to the claimant. No other amounts have been accrued for as at July 31, 2020 and January 31, 2021.

RISKS AND UNCERTAINTIES

Risks of the Company's business include the following:

Risk of new business - The Company is currently looking for new exploration properties and/or other new business opportunities. There is no guarantee that the Company can develop into a viable business.

Conflicts of interest - Certain directors of the Company also serve as directors and/or officers of other companies involved in real estate development or management. Consequently, there exists the possibility for such directors to be in a position of conflict. Any decision made by such directors involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other companies. In addition, such directors will declare, and refrain from voting on, any matter in which such directors may have a conflict of interest.

Global pandemic

In March 2020, there was a global outbreak of COVID-19 which has had a significant impact on businesses through the restrictions put in place by International governments regarding travel, business operations and isolation/quarantine orders. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's ability to raise capital or conduct exploration activities. There are travel restrictions and health and safety concerns in all areas in which the Company operates, that may prohibit or delay exploration programs from proceeding. Operations will depend on obtaining necessary field supplies, obtaining contractor services and safeguarding all personnel during the outbreak, which may be prohibitive or too costly. To date, the restricted nature of the Company's activities has not qualified it for the various Government wage and loan subsidies.

DISCLOSURE CONTROLS AND PROCEDURES

Venture issuers are not required to 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 National Instrument 52-109 Certification of Disclosure in Issuer's Annual and Interim Filings ("NI 52-109"). In particular, the Company's certifying officers 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 Company in its annual filings, interim filings or other reports filed or submitted under securities legislation are 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 financial statements for external purposes in accordance with the Company's generally accepted accounting principles.

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 make. Investors should be aware that inherent limitations on the ability of the Company's certifying officers 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.