PELOTON MINERALS CORPORATION
Management's Discussion and Analysis
Period Ended September 30, 2020
Dated November 27, 2020
(Form 51-102F1)

This Management Discussion and Analysis ("MD&A") of Peloton Minerals Corporation *(the "Company") is provided for the purpose of reviewing the three and nine months ended September 30, 2020 and comparing results to the three and nine months ended September 30, 2019. The MD&A was prepared as of November 27, 2020 and should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements and corresponding notes for the three and nine months ended September 30, 2020 and 2019 as well as the audited consolidated financial statements for the year ended December 31, 2019. The consolidated financial statements are prepared in accordance with International Financial Reporting Standards appropriate in the circumstances. All monetary amounts are expressed in United States dollars unless otherwise indicated.*

Additional information related to the Company is available for view on SEDAR at www.sedar.com and at the Company's website located at www.pelotonminerals.com.

DESCRIPTION OF THE BUSINESS

The Company is a mineral exploration company focused on the acquisition and exploration of mineral resource properties, primarily gold and silver prospects in the US States of Nevada and Montana.

The Company is a reporting issuer in the Provinces of British Columbia and Ontario and its common shares trade on the Canadian Securities Exchange ("CSE") under the symbol PMC, and on the OTCQB Market in the United States under the trading symbol PMCCF.

CORPORATE ACTIVITIES

MINERAL EXPLORATION PROJECTS

On January 9, 2020, the Company announced that it had advanced all four of the Company's gold exploration projects during 2019 and all four projects were recommended for follow-up exploration programs in 2020.

Three of the projects are located in Elko County, Nevada and one project is in the Virginia City Mining District, Montana with the 2019 exploration results and 2020 plans provided in alphabetical order of the project as below.

Golden Trail Project, Nevada – In late 2019, Peloton conducted 1,213 feet of core drilling with 11 holes completed to an average depth of 65 feet and average length of 110 feet each from one of eleven drill pads covering a strike length of 300 feet and width of about 110 feet along a 310-degree azimuth. Ten of the holes were drilled in two rows of five drill holes forming five panels of scissored drill holes with – 45-degree inclination and opposing 220 and 40-degree azimuths. All holes contained gold and silver mineralization, typically from the top to the bottom of the hole with 82% of the tested footage and 75% of the samples above the gold detection limit. Gold assays (ALS Minerals fire assay with AAS finish) above the detection rate ranged from 0.005 grams per tonne (g/t) to 0.092 g/t with Silver assays ranging from 0.5 g/t to 74.8 g/t.

This mineralized zone is continuous over a strike length of 300 feet and to a depth of 65. It is open in both directions along strike and to depth. The Company considers this continuity from such an early stage drilling program to be significant and would look for both expansion of the zone and an increase in grade from follow-up exploration.

Drill data including assays, geochemical analysis, mineralogy and hyperspectral mineralogical data has been compiled into an internal three-dimensional model to help identify structural controls and to guide further exploration. Included in this data set is an airborne hyperspectral survey covering the surface of the entire 900-acre property and extensive historical surface sampling and trenching described below.

Gold mineralization at Golden Trail is generally centered on approximately 10 square kilometers of thermal metamorphism and hydrothermal/metasomatic alteration. Gold mineralization occurs locally in north-west striking dilational zones containing numerous, high-angle gold-bearing veins and adjacent replacement zones, centered within calcsilicate skarn. The largest identified surface vein extends over 1,200 meters in length with an associated alteration zone averaging 30 metres wide. Gold values above 20 ppb are common with several samples assaying above 9 g/t Au and one above 28 g/t Au. Continuous 5-foot trench samples returned 13.7 grams gold with 36.2 grams silver in one 5-foot trench, and 3.49 grams gold with 105 grams silver in a second 5-foot trench. In weathered and oxidized outcrop samples, elevated Ag, As, Sb and TI values accompany Au in iron-rich zones commonly associated with a carbonate+montmorillonite+white mica assemblage.

The Golden Trail project was the subject of a field reconnaissance and mapping program over hydrothermal alteration minerology anomalies (elevated ammonia and alumina illite) previously identified using airborne hyperspectral imaging technology. This resulted in the company completing an amendment to an existing drilling permit enabling it to drill a series of coincident anomalies identified at the Golden Trail. Twenty-four hundred (2,400) feet of reverse circulation drilling is planned for December, 2020 or about 12 drill holes.

The anomalies being drilled in this program are coincident, in that geology, mineralogy, geochemistry and geophysics intersect to suggest these targets.

A major gravity anomaly underlies Golden Trail. This is derived from a regional USGS survey and the gravity anomaly is interpreted by the USGS to be a shallow pluton or magmatic intrusion. A more recent detailed Peloton gravity survey shows a change in gradient along the western boundary of the NW striking gravity anomaly and a series of coincident surface hydrothermal alteration anomalies have been identified through hyperspectral airborne and surface technology and geochemical sampling. These anomalies occur in the hanging wall of NW striking and NE dipping high-angle normal faults, are high in ammonia illite and alumina illite which are often associated with Carlin-style deposits, and geochemistry shows elevated pathfinder elements and gold mineralization.

Independence Valley Project, Nevada - The 2019 drill program consisted of one reverse circulation drill hole drilled to a depth of 1,140 feet to test a potential down-dropped east limb of a NNW trending antiform. This drilling encountered detectable gold mineralization in a fine grained hypabyssal intrusive and in the contact zone with adjacent Paleozoic carbonate sedimentary rocks over a core length of 345 feet as well hydrothermal alteration over a core length of 500 feet. Both of these results Peloton views as encouraging for the first hole drilled into the property. This drilling was conducted by Kinross Gold USA Inc. (Kinross) under an option agreement which Kinross has elected to terminate, thereby returning the property 100% to Peloton. A rhyolite dome situated on the Independence Valley property remains untested and Peloton geophysical modelling of magnetic and CSAMT data has identified three structures within the dome complex that are recommended for drill testing. Independence Valley is situated on the Carlin Gold Trend, and is also within the historical Spruce Mountain mining district which hosted many historic base and precious metals mines since the 1840's. The Spruce Mountain deposits have typically been associated with rhyolitic and granitic intrusive rocks which Peloton believes are the "Smoking Gun" – indicating the location of the structural feeders for both the granitic magmas and gold-silver bearing mineralized fluids. The Independence Valley rhyolite dome is the largest untested rhyolite structure in the Spruce Mining District.

The Company has initiated the permitting process to enable drilling on the Independence Valley Project.

Texas Canyon Project, Nevada – A field reconnaissance and sampling program was conducted on the Texas Canyon Project to follow up on Carlin style alteration anomalies identified by an airborne Hyperspectral UV survey within hydrothermally altered Paleozoic carbonate and clastic sedimentary rocks. This data will be incorporated into an NI 43-101 technical report being prepared on this project which will be released upon completion. Nine (9) of the twenty-five (25) exploration grab samples from the Hyperspectral anomalies were anomalous in gold and were anomalous in several elements including Ag, As, Ba, Cd, Cu, Mn, Mo, Ni, P, Pb, S, Sb, V, W, and Zn. NI 43-101 recommendation will include more detailed geologic mapping and sampling of the Hyperspectral anomalies Texas Canyon is centered on a major boundary fault between mineralized Paleozoic limestone and post-mineral Tertiary geologic units which include the Jarbidge Rhyolite and tuffs and conglomerates of the Humboldt Formation. This fault and related structures are thought to be the conduit for mineralizing fluids that altered and replaced the limestone and limestone breccias. This is based on detailed geologic mapping, surface geochemistry with gold values up to 1280 ppb and molybdenum values up to 1660 ppm, a surface magnetic survey and a surface radiometric survey. The recent Peloton airborne hyperspectral survey corroborated prior data, showing broad hi AL-illite and NH3-illite anomalies at Texas Canyon.

The Company has initiated the permitting process to enable drilling on the Texas Canyon Project.

Silver Bell St. Lawrence Project, Montana – On February 27, 2020 the Company announced it and joint venture partners Frederick Private Equity Corporation and African Metals Corporation (collectively Frederick/African Metals) had received an encouraging report from the project geologist on drilling completed in late 2019 at the Company's Silver Bell St. Lawrence Project ("SBSL") in Montana. Frederick/African Metals may earn up to a 75% interest in the SBSL project by spending US$2,000,000, including the funding of this past drilling program.

This was the first drilling program conducted on SBSL by the Company or by Frederick/African Metals, with a total of 2,111.5 feet of core drilling being completed in 12 holes sited east and west along strike from the headframe of the former St. Lawrence mine. The holes were designed to test the depth, extent, thickness, and grade of the vein system that was worked previously on at least two levels from an inclined shaft at the headframe. In addition, geologic mapping was conducted as well as surface sampling of veins, wall rocks and dumps.

Nine vein intercepts containing significant Gold ("Au") and silver ("Ag") values were cut by drill holes as shown in the Table below. Intercepts included a high value of 34.4 grams per metric tonne ("g/T") Au and 130.5 g/T Ag over 0.61 meters. Highlights of the program, conclusions and recommendations are:

• Nine (9) vein intercepts were encountered ranging from 0.21 meters in core width to 2.8 meters and an average thickness of 1.17 meters.

• Average weighted values for the 9 intercepts was 4.94 g/T Au and 65.35 g/T Ag.

• The 34.4 g/T Au intercept was encountered 40 meters down the dip of the veins from the 150 Level of the old workings demonstrating both the potential for grade and the potential at depth.

• The 34.4 g/T Au intercept was encountered at the western limit of the 2019 drill pattern and should be tested for the potential of a high-grade ore shoot based on that drill result and recent geologic mapping.

• An untested mineralized fault zone east of the mine was identified through geologic mapping and is coincident with the strongest VLF geophysical response on the property. This is a high priority drill target.
• Drilling in 2019 tested only 150 meters of the approximately 1,100 meters of known strike length along the SBSL vein system. Additional geologic mapping, surface sampling and drilling is recommended along the undrilled sections of the veins.

• Several of the holes, including SL 19-4C and SL 19-12C below, intercepted additional veins that do not appear to correlate with the two veins in the historical workings, opening the possibility of a multiple-vein system.

The table below shows weighted average gold and silver grades and thicknesses for nine vein intercepts encountered in the 2019 drilling program that have a weighted average grade, including internal waste, greater than 1 g/T gold. Several holes intersected voids or historic workings where the vein was projected to be and therefore returned no result but demonstrated that the historical workings are more extensive than previously recognized.

Intercept ID	From (m)	To (m)	Interval (m)	Au grams/metric Tonne	Ag grams/metric Tonne	Host*
SL19-1C	15.5	16.5	0.91	2.7	106.0	qvbx
SL19-2C	17.2	17.8	0.61	2.0	32.0	qfg-qvbx
SL19-4C-1	39.2	41.3	2.1	3.3	40.6	Qv
SL19-4C-2	47.2	49.1	2.0	2.3	57.6	qv-qfg
SL19-5C	47.5	50.3	2.8	2.1	23.0	Qv
SL19-10C-1	42.9	43.3	0.40	11.9	276.0	Qv
SL19-10C-2	47.5	48.4	0.94	4.2	111.0	Qv
SL19-12C-1	44.7	44.9	0.21	6.1	79.0	Qv
SL19-12C-2	48.5	49.1	0.61	34.4	130.5	Qv

* Qv = Quartz Vein;   Qvbx = quartz vein brecca;   gfg = quartzofeldspathic gneiss

These vein intercepts also reported strong anomalous base metal values up to 460 ppm copper, 2060 ppm Zinc, and 7400 ppm lead.

The SBSL hosts two past producing gold-silver mines on the property, the Silver Bell on west and the St. Lawrence on the east, with the shafts for each of the former mines located 3,600 feet apart. Both mines operated in the early 1900s and the St. Lawrence was reactivated and operated in the early 1980s. Historical production records are incomplete but available information suggests that historical production at the St. Lawrence was approximately 0.22 ounces per short ton ("opt") Au and 3.8 opt Ag. Smelter receipts for small shipments from the St. Lawrence indicate that some ore with much higher grades was shipped. For example, a smelter receipt from October 30, 1964 states that 8.027 tons were received grading 0.76 opt Au and 20.0 opt Ag. Historical production at the Silver Bell averaged approximately 0.2 opt Au and 15.1 opt Ag.

CORPORATE

In August, 2020, the Company closed a private placement in the amount of CDN$597,097.10 for units to be issued with an ascribed value of CDN$0.075 per unit. Each unit consists of one common share and one common share purchase warrant exercisable for three years. Each warrant entitles the holder to purchase one common share at a price of CDN$0.125.

The Company modified the expiry time of certain outstanding warrants of the Company held by previous private placement investors as follows:

a. 4,827,999 warrants exercisable at a price of CDN$0.10 until 5:00 pm on August 31, 2020 are now exercisable until 5:00 pm on August 31, 2022.

On September 14, 2020 the Company granted a total of 500,000 incentive stock options to directors of the Company. These options are exercisable until June 7, 2024 at an exercise price of $0.10. These options replace 500,000 stock options exercisable at $0.08 that expired in 2019.

Corporate Activity Subsequent to the End of the Quarter

In October, 2020, the Company closed a private placement in the amount of CDN$372,500.00 for units to be issued with an ascribed value of CDN$0.075 per unit. Each unit consists of one common share and one common share purchase warrant exercisable for three years. Each warrant entitles the holder to purchase one common share at a price of CDN$0.125. Of the total Private Placement, $222,500 was not subject to a finder's fee and $150,000 was subject to a finder's fee payable to an arms length party. The finder's fee consisted of $12,000 in cash and 160,000 brokers warrants with each broker warrant exercisable at $0.075 within three years to purchase additional private placement units consisting of one common share and one common share purchase warrant exercisable for three years at $0.125.

On October 16, 2020 the Company granted a total of 150,000 incentive stock options to consultants of the Company. These options are exercisable until October 15, 2025 at an exercise price of $0.12.

OVERALL PERFORMANCE

The Company's financial condition has changed over the nine months ended September 30, 2020 with the working capital deficiency decreasing by $184,766 from ($280,661) at December 31, 2019 to ($95,895) at September 30, 2020. The Company's financial condition has improved over the three months ended September 30, 2020, with the working capital deficiency decreasing by $220,970 from ($316,865 at June 30, 2020 to ($95,895) at September 30, 2020. The difference is mainly attributable to financing activities.

SUBSEQUENT EVENTS

Refer to the Corporate Activities section above.

RESULTS OF OPERATIONS FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2020 (COMPARED WITH THREE MONTHS ENDED SEPTEMBER 30, 2019)

For the three months ended September 30, 2020 and September 30, 2019, the Company had no revenue. Exploration and claim maintenance expenses for the three months ended September 30, 2020 were $69,846 compared to $16,446 during the three months ended September 30, 2019.

Expenses incurred during the three months ended September 30, 2020 (compared to expenses incurred during the three months ended September 30, 2019) consisted of:
i.Office and administrative costs of $146,640 (2019 - $92,475);
ii.Professional Fees of $14,920 (2019 - $25,038);
iii.Foreign exchange loss of $8,446 (2019 Gain - $4,990);
iv.Stock-based compensation of $24,113 (2019 - Nil);
v.Depreciation of $2,270 (2019 – $2,270);
vi.Loss on revaluation of foreign currency warrants of $329,979 (2019 - $51,022);
vii.Loss on revaluation of derivative liability of $26,310 (2019 - $3,641);
viii.Accretion expense of $5,641 (2019 - $4,371); and
ix.Fair value of warrants extended of$126,202 (2019 - $184,856).

There were considerable changes in some line items between the three months ended September 30, 2020 and September 30, 2019. The changes from revaluation of foreign currency warrants and derivative liability and the fair value of warrants extended are book entries resulting from fluctuations in currency and stock price, and can swing considerably from quarter to quarter. There is no effect on the company's cash position. The expense of stock-based compensation results from the grant of incentive stock options and does not affect the Company's cash position.

RESULTS OF OPERATIONS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020 (COMPARED WITH NINE MONTHS ENDED SEPTEMBER 30, 2019)

For the nine months ended September 30, 2020 and September 30, 2019, the Company had no revenue. Exploration and claim maintenance expenses for the nine months ended September 30, 2020 were $93,265 compared to $42,773 during the nine months ended September 30, 2019.

Expenses incurred during the nine months ended September 30, 2020 (compared to expenses incurred during the nine months ended September 30, 2019) consisted of:
i.Office and administrative costs of $316,862 (2019 - $268,146);

ii.Professional Fees of $43,563 (2019 - $58,175);
iii.Foreign exchange gain of $6,472 (2019 – foreign exchange loss of $12,773);
iv.Stock-based compensation of $24,113 (2019 – $149,052);
v.Depreciation of $6,810 (2019 – $6,810);
vi.Gain on revaluation of foreign currency warrants of $69,640 (2019 - Gain of $503,413);
vii.Gain on revaluation of derivative liability of $24,872 (2019 – Gain of $48,237);
viii.Accretion expense of $15,898 (2019 - $12,319); and
ix. Fair value of warrants extended of $219,668 (2019 - $273,720).

There were considerable changes in some line items between the nine months ended September 30, 2020 and September 30, 2019. The changes from revaluation of foreign currency warrants and derivative liability and the fair value of warrants extended are book entries resulting from fluctuations in currency and stock price, and can swing considerably from quarter to quarter. There is no effect on the company's cash position. The expense of stock-based compensation results from the grant of incentive stock options the period and does not affect the Company's cash position.

Total assets as at September 30, 2020 were $394,636 (Dec. 31, 2019 - $146,978) and consisted of cash $296,980 (Dec. 31, 2019 - $52,895), HST receivable of $9,802 (Dec. 31, 2019 - $1,686) prepaid expenses of $18,343 (Dec. 31, 2019 - $18,318), equipment $52,209 (Dec. 31, 2019 - $59,019) and reclamation bonds of $17,302 (Dec. 31, 2019 - $15,060).

Total current liabilities as at September 30, 2020 were $421,020 (Dec. 31, 2019 - $353,560) consisting primarily of trade payables and amounts due to directors and officers. Included in this amount is $392,413 (December 31, 2019 - $306,151) owing to directors of the Company for management and directors fees.

The Company's long-term financial liabilities are:

i. Convertible debenture of $91,325 (September 30, 2019 - $70,768; Dec. 31, 2019 - $75,427);
ii. Derivative liability for convertible debenture of $100,228 (September 30, 2019 - $132,199; Dec. 31, 2019 - $125,100); and
iii. Warrants denominated in a foreign currency of $1,189,814 (September 30, 2019 - $864,322; Dec. 31, 2019 - $831,794).

The liabilities for foreign currency warrants and derivative liability are book entries and can change considerably from quarter to quarter. There is no effect on the Company's cash position.

The Company has no sales and has never earned revenues with the exception of non-material interest revenue. Raising capital through sales of its common shares funds the Company's exploration operations.

Summary of Quarterly Results

Description	Sept 30/20	June 30/20	Mar 31/20	Dec 31/19	Sept 30/19	June 30/19	Mar 31/19	Dec 31/18
	$	$	$	$	$	$	$	$
Sales/Revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net Income/Loss	(754,367)	(149,761)	284,963	(43,985)	(375,129)	61,269	41,742	(447,862)
Net Income/Loss Per share – Basic & Diluted	(0.008)	(0.002)	0.003	(0.0005)	(0.005)	0.001	0.001	(0.006)

LIQUIDITY

As at September 30, 2020, the Company had cash in the amount of $296,980 (September 30, 2019 - $333,308) and current liabilities of $421,020 (September 30, 2019 - $549,070). As at September 30, 2020, the Company had a working capital deficiency of $95,895 (September 30, 2019 – deficiency $203,978). Included in this amount is $392,413 owing to directors of the Company for management and director fees. As a result, the Company has liquidity risk and is dependent on raising capital. The directors have agreed that all director fees that remain unpaid after two years be written-off at the end of each fiscal year of the Company, starting with the fiscal year ending December 31, 2013. In addition, the Company President and CEO instructed the Company to write-off CDN$184,218 in un-paid and accrued management fees owed to him as of the year ended December 31, 2019. The 2019 year-end financials have now been filed on SEDAR reflecting this reduction which has been permanently forgiven.

CAPITAL RESOURCES

For its long-term business objectives, the Company will require funds for ongoing exploration work on its current mineral projects, to work on any other mineral projects that it acquires, as well as to meet its ongoing day-to-day operating requirements and will have to continue to rely on equity and debt financing during such period. There can be no assurance that financing, whether debt or equity, will be available to the Company in the amount required at any particular time or for any particular period or, if available, that it can be obtained on terms satisfactory to the Company. The Company does not have any other commitments for material capital expenditures over either the near or long term, and none are presently contemplated other than as disclosed above and/or over normal operating requirements.

The Company is not in default of its obligations on any of its mineral properties at this time.

OFF BALANCE SHEET ARRANGEMENTS

At November 27, 2020, the Company had no off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

TRANSACTIONS WITH RELATED PARTIES

Related parties include the Officers, Directors, close family members and enterprises which are controlled by these individuals as well as certain persons performing similar functions.

Related party transactions conducted in the normal course of operations are measured at the exchange value (the amount established and agreed to by the related parties).

Management and director fees in the amount of $189,509 were incurred in the period ended September 30, 2020 This amount was included in office and administrative costs in the consolidated statements of loss and comprehensive loss, however the amounts were accrued since the directors did not wish to divert the limited available funds from the advancement of the mineral projects

PROPOSED TRANSACTIONS

There are no transactions proposed at this time other than as disclosed herein.

ACCOUNTING POLICIES AND CRITICAL ACCOUNTING ESTIMATES

Accounting Policies

The Company prepares its financial statements in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations of the IFRS Committee.

The significant accounting policies of the Company are summarized in Note 2 to the Company’s audited financial statements for the year ended December 31, 2019.

Critical Accounting Estimates

The Critical Accounting Estimates of the Company are discussed in Note 2 to the Company's audited financial statements for the year ended December 31, 2019.

Financial Instruments

The Financial Instruments of the Company are discussed in Note 2 to the Company's audited financial statements for the year ended December 31, 2019.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning the Company's: (a) capitalized or expensed exploration and development costs; (b) expensed research and development costs; (c) deferred development costs; (d) general and administrative expenses; and (e) any material costs, whether expensed or recognized as assets, not already referred to in this MD&A is provided in the Company's Condensed Interim Consolidated Financial Statements and its Audited Consolidated Financial Statements for the year ended December 31, 2019, which can be accessed on SEDAR under the Company's profile page at www.sedar.com.

DISCLOSURE OF OUTSTANDING SHARE DATA

The Company's authorized share capital consists of unlimited common shares without par value.

Issued and outstanding: September 30, 2020 – 95,814,247;
Issued and outstanding: November 27, 2020 (date of this report) – 100,780,914

Warrants outstanding: September 30, 2020 – 46,201,102
Warrants outstanding: November 27, 2020 – 51,167,769
The warrants expire between December 2020 and October 2023 and have a weighted average exercise price of CDN $0.1176 per share.

Broker Warrants outstanding: September 30, 2020 – Nil
Broker Warrants outstanding: November 27, 2020 – 160,000
The warrants expire October 2023.

Options outstanding: September 30, 2020 – 7,750,000
Options outstanding: November 27, 2020 – 7,900,000
The options expire between February 2022 and October 2025 and have a weighted average exercise price of CDN $0.1029 per share.

Dividend Policy

No dividends have been paid on any shares of the Company since the date of its incorporation, and it is not contemplated that any dividends will be paid in the immediate or foreseeable future.

Controls and Procedures

Management is responsible for the design of internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the consolidated financial statements in accordance with International Financial Reporting Standards. Based on a review of its internal control procedures at the end of the period covered by this MD&A, management believes its internal controls and procedures, for the nature and size of the entity, are effective in providing reasonable assurance that financial information is recorded, processed, summarized and reported in a timely manner.

Management is also responsible for the design and effectiveness of disclosure controls and procedures to provide reasonable assurance that material information related to the Company, is made known to the Company's certifying officers. Management has evaluated the effectiveness of the Company's disclosure controls and procedures and has concluded that these controls and procedures are effective, for the nature and size of the entity, in providing reasonable assurance that material information relating to the Company is made known to them by others within the Company.

Litigation

The Company is not a party to any litigation.

Risks Associated with Exploration and Mining Operations

The exploration of mineral properties involves a high degree of risk which cannot be avoided despite the experience, knowledge and careful evaluation of prospective properties by management. There can be no assurance commercial quantities of ore will be discovered on the Company's mineral properties. Even if such commercial quantities are subsequently discovered by the Company's exploration efforts, there can be no assurance such properties can be brought in to commercial production. Operations may be subject to disruption due to weather conditions, labour unrest or other causes beyond the control of the Company. Hazards such as unexpected formations, pressures, flooding, or other conditions over which the Company does not have control may be encountered and may adversely affect the Company's operations and financial results.

Environmental Risks

Environmental legislation is continuing to evolve such as will require strict standards and enforcement, increased fines and penalties for non-compliance, more stringent assessment of proposed projects and a greater degree of corporate responsibility. There can be no assurance that current requirements and future changes to environmental legislation may not adversely affect the Company's operations.

Mineral Market

The market for minerals is subject to factors beyond the Company's control, such as market price fluctuation, currency fluctuation and government regulation. The effect of such factors cannot be accurately calculated. The existence of any or all such factors may restrict the access to a market, if same exists, for the sale of commercial ore which may be discovered.

Funding Requirements

In order to move forward with its exploration activities, the Company will require additional funding. There can be no guarantee that such funds will be available as and when required or, if available, be accessible on reasonable commercial terms.

Reliance on Management

The Company anticipates that it will be heavily reliant upon the experience and expertise of management with respect to the further development of the mineral properties. The loss of any one of their services or their inability to devote the time required to effectively manage the affairs of the Company could materially adversely affect the Company.

Auditors, Transfer Agent and Registrar

The auditors of the Company are RSM Canada LLP, of Toronto, Ontario. The Transfer Agent and Registrar for the Common Shares of the Company is TSX Trust Company in Toronto, Ontario.

Forward Looking Statements

Certain statements contained in this document constitute “forward-looking statements”. When used in this document, the words “may”, “would”, “could”, “will”, “intend”, “plan”, “propose”, “anticipate”, “believe”, “forecast”, “estimate”, “expect” and similar expressions used by any of the Company’s management, are intended to identify forward-looking statements. Such statements reflect the Company’s internal projections, expectations, future growth, performance and business prospects and opportunities and are based on information currently available to the Company. Since they relate to the Company’s current views with respect to future events, they are subject to certain risks, uncertainties and assumptions. Many factors could cause the Company’s actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. The Company does not intend, and does not assume any obligation, to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future results, events or developments except as required by law or by CSE policies.