

SPEARMINT RESOURCES INC.

Management's Discussion and Analysis

For the year ended January 31, 2021

Date of Report: May 28, 2021

The following discussion and analysis of the Company's financial condition and results of operations for the year ended January 31, 2021, should be read in conjunction with its audited financial statements and related notes. The requisite financial data presented for the relevant periods has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

All dollar figures included therein and in the following MD&A are quoted in Canadian dollars. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

Disclaimer for Forward-Looking Information

Certain statements in this report are forward-looking statements, which reflect management's expectations regarding the Company's future growth, results of operations, performance, business prospects and opportunities such as the intended work programs on its existing property interests, the ability to meet financial commitments and the ability to raise funds when required. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them. These forward-looking statements reflect management's current views and are based on certain assumptions and speak only as of the date of this Management's Discussion and Analysis. These assumptions, which include management's current expectations, estimates and assumptions about its current property interests, the global economic environment, the market price and demand for mineral commodities and its ability to manage the property interests and operating costs, may prove to be incorrect. A number of risks and uncertainties could cause the actual results to differ materially from those expressed or implied by the forward-looking statements, including: (1) a downturn in general economic conditions, (2) a decreased demand or price for mineral commodities, (3) delays in the start of projects with respect to its property interests, (4) inability to locate and acquire additional property interests, (5) the uncertainty of government regulation and politics in North America regarding mineral exploration and mining, (6) potential negative financial impact from regulatory investigations, claims, lawsuits and other legal proceedings and challenges, and (7) other factors beyond its control.

There is a significant risk that such forward-looking statements will not prove to be accurate. Investors are cautioned not to place undue reliance on these forward-looking statements. No forward-looking statement is a guarantee of future results. Except as required by law, the Company disclaims any intention or obligation to update or revise any forward-looking statements. Additional information about these and other assumptions, risks and uncertainties are set out in the section entitled "Risks and Uncertainties" below.

Nature of Business

The Company was incorporated under the Business Corporations Act of British Columbia, Canada on September 23, 2009. The Company is involved in the identification, acquisition and exploration of mineral properties that management deems as potentially viable to assist in the growth of the Company. At January 31, 2021, the Company had mineral property interests located in Canada and the United States.

Mineral Properties

Nevada Elon and McGee Properties

On July 12, 2016, the Company entered into a share purchase agreement (the “Nevada Agreement”) with five arm’s length vendors (the “Nevada Vendors”) to purchase 100% of the issued and outstanding common shares of 1074942 B.C. Ltd., which through its wholly-owned subsidiary Mathers Lithium Corp. (a Nevada corporation) holds a 100% interest in certain lithium mineral claims (the “Elon claims” and the “McGee claims”) in Nevada. The acquisition has been accounted for as an asset acquisition. In consideration for the net assets acquired, the Company issued 12,700,000 common shares at a value of \$444,500 to the Nevada Vendors pursuant to the Nevada Agreement. In addition, the Company issued 912,000 common shares at a value of \$31,920 as a finder’s fee and paid \$20,000 to the vendor for land acquisition and \$3,903 in filings fees in connection with this transaction. The above acquisition costs were allocated to the Elon Property and the McGee Property proportionately, being \$175,113 and \$325,210, respectively.

On June 14, 2017, the Company assumed an additional US\$30,000 payment owed to the vendors for the McGee claims as follows: US\$10,000 by September 1, 2017 (paid) and US\$20,000 by December 31, 2017 (paid). The vendors retain an NSR of 3.75% on the McGee claims.

During the years ended January 31, 2018 and 2020, the Company provided a security deposit of \$11,098 and \$631 in relation to its McGee Properties, respectively. During the year ended January 31, 2021, the Company provided additional security deposit of \$938 in relation to its McGee Properties.

As disclosed in a news release dated September 4, 2020 and September 14, 2020, the Company received a drill permit from the Bureau of Land Management and engaged Harrison Land Services to carry out its planned phase-two drill program on the McGee Property. The drill program commenced in September. As disclosed in a news release dated December 11, 2020, the Company announced it has received the assay results from the first three completed drill holes (holes 5, 7 and 8) of its 10-hole drill program. The first three holes drilled into the clay formation all intersected lithium. Assays from drill Hole 5 intersected lithium values as high as 1,840 parts per million lithium with a range of 1,840 to 420 ppm lithium (with one five-foot section grading 140 ppm directly below the best intersection and believed to be an ancient localized drainage channel). Hole 5 averaged 846 ppm Li over 270 feet, including 35 feet averaging 1,343 ppm Li. Hole 7 had a range of 1,550 to 290 ppm Li averaging 812 ppm Li over 310 feet, including 55 feet of 1,214 ppm Li. Hole 8 had a range of 1,280 to 340 ppm Li averaging 723 ppm Li over 205 feet, including 1,036 ppm Li over 35 feet.

As disclosed in a news release dated January 15, 2021, the Company has received results from two more holes from the 10-hole drill program. Hole 6 returned the best results achieved to date with an average lithium value of 966 parts per million lithium over 220 continuous feet, including a high value of 1,490 ppm. Hole 9 returned a high value of 950 ppm Li from a total of 155 feet drilled. As disclosed in a news release dated on February 5, 2021 the Company announced the results from the final five holes. The drilling resulted in Hole 11 hitting a high of 1,490 parts per million lithium

(ppm Li) within 235 feet averaging 817 ppm Li, including 110 feet averaging 1,020 ppm Li starting at 20 feet from surface. Hole 12 hit a high of 1,370 ppm Li within 105 feet averaging 1,042 ppm Li, starting at 10 feet from surface. Hole 10 had a high of 1,360 ppm Li. Hole No. 13 hit a high of 1,320 ppm Li within 200 feet averaging 845 ppm Li, including 70 feet averaging 1,026 ppm Li starting at five feet from surface. Hole 14 hit a high of 1,730 ppm Li within 225 feet averaging 900 ppm Li, including 55 feet averaging 1,046 ppm Li starting at 15 feet from surface.

As disclosed in news releases dated January 29, 2021 and February 12, 2021, the Company engaged McClelland Laboratories Inc. of Sparks, Nevada, for the planned metallurgy on the lithium-hosted claystone drilled on Spearmint's property and the samples have been shipped. As disclosed in a news release dated May 14, 2021, the Company achieved a lithium extraction rate of 83%. Preliminary results from a composite claystone sample indicate lithium extractions of 80 per cent with a sulphuric acid addition of 500 kilograms per tonne and 83 per cent with a hydrochloric acid addition of 375 kg/mt. Further testing is being planned to optimize leaching conditions.

As disclosed in a news release dated March 15, 2021, the Company announced it has engaged Stantec Consulting Ltd. to complete a potential maiden resource estimate and technical report for the Clayton Valley lithium clay project in Nevada. The technical report will be prepared in accordance with the requirements of National Instrument 43-101.

The Company is evaluating follow up work and drill programs for this property.

As at January 31, 2021, the Company had incurred a total of \$16,952 in claim maintenance fees on the Elon Property and \$710,613 in exploration costs on the McGee Property, respectively.

BC EL North Nickel-Copper Prospects

In September 2017, the Company acquired a 100% interest in certain mineral claims (the "EL North Prospect" and the "EL North 2 Prospect") in the world renowned Eskay Creek Mining Camp in the Golden Triangle of British Columbia for staking costs totaling \$2,892. The EL North Prospect consisted of 1,975 and the EL North 2 Prospect consisted of 2,107 contiguous acres, respectively. During the year ended January 31, 2020, the Company decided to reduce the size of the EL North Prospect to 632 acres and drop the EL North 2 Prospect. Accordingly, \$2,892 in staking costs and \$14,563 in exploration costs were written off.

In March and September 2019, the Company acquired a 100% interest in certain mineral claims (the "EL North 3 Prospect" and the "EL North 1 Prospect") in the Golden Triangle of British Columbia for staking costs of \$280 and \$466, respectively. These prospects consist of 395 and 659 contiguous acres, respectively.

As at January 31, 2021, the Company had incurred a total of \$2,801 in exploration costs on this property.

BC NEBA Copper-Gold Prospects

In September 2017, the Company acquired a 100% interest in certain mineral claims (the "NEBA Copper-Gold Prospect") totaling 3,052 acres located in the Golden Triangle of British Columbia for staking costs of \$2,162.

In August 2018, the Company acquired a 100% interest in certain mineral claims (the "NEBA West Prospect") totaling 920 acres located in the Golden Triangle of British Columbia for staking costs of \$651. During the year ended January 31, 2020, the Company decided to drop these claims. Accordingly, previous staking costs of \$651 were written off.

On October 5, 2018, the Company entered into a share purchase agreement (the “SPA”) with two arm’s length vendors (the “Vendors”) to purchase 100% of the issued and outstanding shares of 1177905 B.C. Ltd., which holds a 100% interest in certain mineral claims in B.C. (the “NEBA Copper-Gold Prospects”, the “Nickle N. Property”, and the “Gold Triangle Prospects”). The acquisition has been accounted for as an asset acquisition. In consideration, the Company issued 18,000,000 shares (issued at a value of \$540,000) to the Vendors pursuant to the SPA. 1177905 B.C. Ltd. became a wholly owned subsidiary of the Company. The acquisition costs had been split evenly between these properties.

On September 14, 2020, the Company entered into a letter agreement with Enduro Metals Corporation, an arm’s length party, to sell certain mineral claims of its NEBA Prospects to Enduro Metals for \$25,000. The Company recognized a realized loss of \$170,124 during the year ended January 31, 2021.

As at January 31, 2021, the Company had incurred a total of \$30,249 in exploration costs on the remaining claims of this property.

BC Safari Copper-Gold Property

In October 2018, the Company acquired a 100% interest in a district size claims package consisting of 9,007 contiguous acres located in the northern Quesnel Trough in north-central British Columbia for staking costs of \$6,381.

As at January 31, 2021, the Company had incurred a total of \$24,370 in exploration costs on this property.

BC Hammernose Gold Property

In October 2018, the Company acquired a 100% interest in certain mineral claims consisting of 5,140 acres in the Spences Bridge gold belt located in southern British Columbia for staking costs of \$3,640.

In July 2019, the Company acquired a 100% interest in certain mineral claims to increase the size of the Hammernose Gold Property to 5,910 acres for staking costs of \$546.

In July 2020, the Company acquired a 100% interest in certain mineral claims to increase the size of the Hammernose Gold Property to 8,685 acres for staking costs of \$1,966.

As disclosed in a news release dated July 14, 2020 and August 4, 2020, Rio Minerals Limited has been engaged and successfully completed a work program on the Hammernose Gold Property. All the creeks on the three tenures were sampled and all outcrops and areas of interest were geologically mapped and sampled by Rio Minerals. As disclosed in a news release dated December 8, 2020, the Company announced it has received the sampling results from its phase 2 work program. A detailed soil geochemical survey was performed and forty-five soil samples were taken on a localized grid of five soil lines, with 20-metre line separation. Sampling results included several samples returning anomalous gold values with a high value of 132 parts per billion gold at the northeast corner of the survey grid.

The Company is evaluating a possible follow up work program for this property.

As at January 31, 2021, the Company had incurred a total of \$34,095 in exploration costs on this property.

BC Gold Triangle Prospects

In July 2017, the Company acquired a 100% interest in four separate gold prospects (the “Gold Triangle Prospects”) totalling 4,092 acres located in the Golden Triangle gold District in British Columbia for staking costs of \$2,900. During the year ended January 31, 2020, the Company decided to drop one gold prospect consisting of 893 acres. Accordingly, \$632 in staking costs and \$4,488 in exploration costs associated with this claim were written off.

In October 2018, the Company indirectly acquired a 100% interest in certain mineral claims in British Columbia under the SPA.

In July 2019, the Company acquired a 100% interest in two Prickle claims consisting of 4,980 contiguous acres in the Golden Triangle of British Columbia for staking costs of \$3,527.

As at January 31, 2021, the Company had incurred a total of \$48,255 in exploration costs on this property.

NL Goose Gold Project

On August 10, 2020, the Company entered into a purchase agreement with arm’s length vendors (the “Goose Gold Vendors) to acquire a 100% interest in certain mineral claims (the “Goose Gold Project”) consisting of 185 acres located in Newfoundland, Canada. In consideration, the Company is required to issue 2,000,000 shares (issued at a value of \$130,000) to the Goose Gold Vendors. The Goose Gold Vendors will retain a 2.5% NSR Royalty on this property. The Company will have the right to purchase 0.25% of the royalty for \$250,000 any time prior to the commencement of commercial production.

As disclosed in a news release dated August 28, 2020, the Company engaged Ridgeline Exploration Services Inc. for a planned work program on this property. As disclosed in a news release dated October 6, 2020, the work program was completed and on November 12, 2020, the Company announced that positive gold indicators had been discovered.

The phase I rock and soil sampling program saw the collection of 185 soil samples and 21 rock samples across the Goose Gold property. The high-resolution soil grid had 50 m spaced samples along 100 m spaced lines and provided detailed geochemical coverage over the property, representing the first known work on the asset to date. The results of the survey highlight three distinct gold-in-soil anomalies located in the northeast, southeast and western parts of the property. The anomaly straddling the western property boundary is oriented in a north-south direction and has a non-continuous strike length of 600 m and 250 m. In addition, one select float grab sample of a mafic volcanic unit with stockwork quartz-carbonate veining throughout returned 973 parts per billion gold.

The Company is evaluating a possible follow up work program for this property.

As at January 31, 2021, the Company had incurred a total of \$19,978 in exploration costs on this property.

ON Carscallen West Gold Project

In May 2020, the Company acquired a 100% interest in certain mineral claims (the “Carscallen West Gold Project”) located in the Abitibi Greenstone belt in Ontario consisting of approximately 2,500 contiguous acres for staking costs of \$2,450.

ON Case Lake South Cesium Prospect

In April and May 2020, the Company acquired a 100% interest in certain mineral claims (the “Case Lake South Cesium Prospect”) located in the Larder Lake Mining Division in Northeast Ontario consisting of approximately 5,000 contiguous acres for staking costs of \$4,700.

In August 2020, the Company acquired a 100% interest in certain mineral claims to increase the size of the Case Lake South Cesium Prospect to approximately 7,300 acres for staking costs of \$2,350.

ON Escape Lake North PGM Project

In May 2020, the Company acquired a 100% interest in certain mineral claims (the “Escape Lake North PGM Project”) in Ontario consisting of approximately 4,000 contiguous acres for staking costs of \$3,950. This property is located near existing infrastructure in a mining-friendly jurisdiction just north of Thunder Bay, Ontario.

The Company is evaluating possible work programs for this property.

ON River Valley East Platinum-Palladium Prospect

In January 2020, the Company acquired a 100% interest in certain mineral claims (the “River Valley East Platinum-Palladium Prospect”) in Ontario consisting of approximately 4,700 contiguous acres for staking costs of \$4,850.

QC Chibougamau Vanadium Prospects

In June 2017, the Company acquired a 100% interest in four separate vanadium prospects, the “Chibougamau Vanadium Prospects”, all located in the direct vicinity of Lac Chibougamau, Quebec for staking costs of \$4,550. These four separate vanadium prospects comprise 71 separate claims totaling approximately 9,737 acres.

In December 2018 and January 2019, the Company increased its acreage in this district to consolidate the four separate prospects into one contiguous property now consisting of 13,985 acres for staking costs of \$3,031.

In February 2019, the Company increased its acreage in this district by 3,154 acres to a total of 17,139 contiguous acres for staking costs of \$457.

During the year ended January 31, 2020, the Company decided not to continue with 12 mineral claims covering approximately 1,646 acres and allowed them to lapse when they became due. Accordingly, prior acquisition costs of \$769 and exploration costs of \$14,710 associated with these claims had been written off during the period.

The Company is evaluating possible work programs for this property.

As of January 31, 2021, the Company had incurred a total of \$89,382 in exploration costs on this property.

QC Perron-East Gold Prospects

In September 2019, the Company acquired a 100% interest in the Perron-East Gold Prospects

consisting of four mineral claim blocks covering 2,862 acres located in the Abitibi greenstone belt of northwestern Quebec for staking costs of \$1,372.

In February and June 2020, the Company significantly expanded this property to now covering approximately 10,910 acres consisting of six mineral claim blocks for additional staking costs of \$4,543.

As disclosed in a news release dated October 9, 2020, the Company engaged Laurentia Exploration, based out of Quebec, to conduct the initial work program on the Perron-East Gold project. The phase 1 work program included a complete compilation and evaluation of historical data, a high-resolution magnetic survey, an extensive sampling program, and the identification of the highest-priority drill hole targets for phase 2. As disclosed in a news release dated November 24, 2020, the Company announced the sampling portion of the phase 1 work program has been completed with results expected back in approximately six to eight weeks.

As disclosed in a news release dated December 23, 2020, the Company announced it has started the airborne magnetic portion of the phase 1 work program and as disclosed in a news release dated April 12, 2021, the Company announced that multiple soil anomalies have been discovered and immediate plans are now being formulated for an induced polarization (IP) survey over these anomalies with the expectation for a summer drill program once the highest-priority drill targets are defined.

As at January 31, 2021, the Company had incurred a total of \$119,913 in exploration costs on this property.

Overall Performance

The Company is a mineral exploration company engaged in the business of acquisition, exploration and, if warranted, development of mineral properties. The Company does not expect to generate any revenues in the foreseeable future or until a mineable reserve is defined and economically recoverable. The Company expects to continue to incur expenses as it works to further explore and develop its mineral properties.

The Company has conducted limited exploration on some of its properties, due to, among other things, the availability of sufficient funds for the purposes of mineral exploration and development, access to the property due to climate conditions, the uncertainties associated with the prices of precious and base metals and other minerals, and the global economic climate. The Company is in the process of exploring its mineral properties and has not yet determined whether the properties contain reserves that are economically recoverable. The Company's future performance is largely tied to the outcome of future exploration and the overall financial markets.

The recoverability of minerals from the Company's properties is dependent upon, among other things, the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to continue to explore and develop its properties and upon future profitable production. In March 2020 the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. 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 business or ability to raise funds. Uncertainty in credit markets, fluctuation in commodity prices and general economic downturns has led to increased difficulties in raising and borrowing funds. As a result, the Company may have difficulties raising equity financing for the purposes of exploration and development of the Company's properties, without diluting the

Summary of Results During Prior Eight Quarters

Net comprehensive loss increased by \$172,228 from the first to the second quarter of 2020 mainly due to an increase in the write-down of exploration and evaluation assets. Net comprehensive loss decreased by \$204,536 from the second to the third quarter of 2020 primarily due to a decrease of \$211,738 in the write-down of exploration and evaluation assets. Net comprehensive loss increased by \$237,731 from the third to the fourth quarter of 2020 primarily due to an increase in share-based payments. Net comprehensive loss decreased by \$227,005 from the fourth quarter of 2020 to the first quarter of 2021 primarily due to a decrease in share-based payments. Net comprehensive loss increased by \$264,528 from the first to the second quarter of 2021 primarily due to an increase in realized loss on sale of exploration and evaluation assets, share-based payments and corporate branding expenses. Net comprehensive loss decreased by \$102,672 from the second to the third quarter of 2021 primarily due to a decrease of \$170,124 in loss on sale of exploration and evaluation assets offset by an increase in operating expenses. Net comprehensive loss increased by \$43,688 from the third to the fourth quarter of 2021 primarily due to an increase of \$105,605 in corporate branding expenses offset by a decrease of \$77,735 in share-based payments.

Selected Annual Information

The following table sets out selected financial information for our company, which have been prepared in accordance with IFRS:

	Year ended January 31,		
	2021	2020	2019
Total revenues	\$Nil	\$Nil	\$Nil
Loss before discontinued operations and extraordinary items:			
Total	\$(779,288)	\$(579,031)	\$(768,576)
Basic and diluted loss per share	\$(0.00)	\$(0.00)	\$(0.01)
Net loss and comprehensive loss:			
Total	\$(779,288)	\$(579,031)	\$(768,576)
Basic and diluted loss per share	\$(0.00)	\$(0.00)	\$(0.01)

	As at January 31,		
	2021	2020	2019
Total assets	\$3,981,774	\$1,712,558	\$1,891,665
Total long term debt	\$Nil	\$Nil	\$Nil
Cash dividends	\$Nil	\$Nil	\$Nil

Year ended January 31, 2021 Compared to the Year ended January 31, 2020

The Company did not generate any revenues for the year ended January 31, 2021 and 2020. Net comprehensive loss was \$779,288 for the year ended January 31, 2021 compared to \$579,031 for the year ended January 31, 2020. The increase was mainly due to an increase in operating expenses and an increase in realized loss on sale of exploration and evaluation assets (year ended January 31, 2021: \$170,124; year ended January 31, 2020: Nil), offset by a decrease in the write-down of exploration and evaluation assets (year ended January 31, 2021: \$Nil; year ended January 31, 2020: \$228,149).

Operating expenses increased by \$243,620 from \$374,898 for the year ended January 31, 2020 to \$618,518 for the year ended January 31, 2021. The increase in operating expenses was mainly due to an increase in corporate branding expenses, offset by a decrease in share-based payments.

Corporate branding expenses increased during the year ended January 31, 2021 to \$241,355 (year ended January 31, 2020: \$Nil) which included the following:

- \$138,750 (year ended January 31, 2020: \$Nil) for online branding;
- \$79,093 (year ended January 31, 2020: \$Nil) for European marketing and news dissemination with Aktiencheck.de AG;
- \$10,250 (year ended January 31, 2020: \$Nil) for TV ads with Blue Sun Productions Inc.;
- \$4,762 (year ended January 31, 2020: \$Nil) for video version of news release with Investment Pitch Media;
- \$3,000 (year ended January 31, 2020: \$Nil) for social media services related to the corporate twitter; and
- \$5,500 (year ended January 31, 2020: \$Nil) for other branding expenses.

The corporate branding expenses were incurred to increase the awareness of the Company and the mining industry in general. Management anticipates such expenses may be similar or higher in the next 12-month period due to management's decision regarding overall branding expenses, including a decision to increase online branding, or other such future services.

Decreased share-based payments (year ended January 31, 2021: \$148,849; year ended January 31, 2020: \$205,043) were due to the Company granted 5,000,000 stock options to its directors, officers and consultants with exercise prices ranging from \$0.05 to \$0.085 per share and expiry dates ranging from May 15, 2021 to September 4, 2021 during the year ended January 31, 2021 as compared to 11,000,000 options with an exercise price of \$0.05 per share and an expiry date of January 20, 2021 were granted during the year ended January 31, 2020. The Company may grant options that are available under the stock option plan in the next 12 months period.

Year ended January 31, 2020 Compared to the Year ended January 31, 2019

The Company did not generate any revenues for the years ended January 31, 2020 and 2019. Net comprehensive loss was \$579,031 for the year ended January 31, 2020 compared to \$768,576 for the year ended January 31, 2019. The decrease was mainly due to a decrease in operating expenses offset by an increase in the write-down of exploration and evaluation assets.

Increased write-down of exploration and evaluation assets (year ended January 31, 2020: \$228,149; year ended January 31, 2019: \$10,429) were mainly due to management's decision to drop certain mineral claims in Quebec and British Columbia.

Operating expenses decreased by \$423,684 from \$798,582 for the year ended January 31, 2019 to \$374,898 for the year ended January 31, 2020. The decrease in operating expenses was mainly due to a decrease in share-based payments, corporate branding expenses, legal fees and filing fees.

Decreased share-based payments (year ended January 31, 2020: \$205,043; year ended January 31, 2019: \$421,441) were due to the Company granted 11,000,000 options with an exercise price of \$0.05 per share and an expiry date of January 20, 2021 during the year ended January 31, 2020 as compared to 10,000,000 stock options were granted to its consultants with exercise prices ranging from \$0.05 to \$0.11 per share and expiry dates ranging from February 16, 2019 to October 15, 2019 during the year ended January 31, 2019.

The Company did not incur any corporate branding expenses during the year ended January 31, 2020 (year ended January 31, 2019: \$118,229). The corporate branding expenses were incurred to increase the awareness of the Company and the mining industry in general.

Lower legal fees (year ended January 31, 2020: \$1,590; year ended January 31, 2019: \$38,856) and filing fees (year ended January 31, 2020: \$13,127; year ended January 31, 2019: \$45,358) were due to one-time fees incurred in relation to DTC application and CSE listing application in prior year.

See “Nature of Business – Mineral Properties” for a discussion of the Company’s mineral properties on a property-by-property basis, including its plans for the mineral properties, the status of its plans, expenditures made and the anticipated timing and costs to take its mineral properties to the next stage of the project plan.

See “Overall Performance” for a discussion of events, risks and uncertainties that the Company believes will materially affect its future performance and “Risks and Uncertainties” for a discussion of risk factors affecting the Company.

Discussion of Operations

Use of Proceeds

The table below provides an update as to the status of how the Company has previously announced a proposed use of proceeds from prior financings and the actual use of such proceeds.

Financing	Previously Disclosed Use of Proceeds	Status of Use of
\$124,500 Flow-through <i>July 2020 Private Placement</i>	Flow-through funds - towards existing Canadian properties.	As of the date of this report, \$4,091 used in Hammernose Gold Property, \$55,982 used in Perron East Gold exploration and \$64,427 has not been used.
\$1,000,000 Flow-through <i>May 2021 Private Placement</i>	Flow-through funds - towards existing Canadian properties.	As of the date of this report, \$12,192 was used in Perron East Gold exploration and \$987,808 has not been used.

In July 2020, the Company closed a non-brokered private placement consisting of 3,557,142 flow-through units (the “FT Units”) at \$0.035 per FT Unit for gross proceeds of \$124,500. Each FT Unit consisted of one flow-through common share and one share purchase warrant which entitles the

Spearmint Resources Inc.

For the year ended January 31, 2021 – Page 12

holder to purchase one additional non flow-through common share of the Company at a price of \$0.05 per share until July 29, 2025.

In May 2021, the Company closed a non-brokered private placement consisting of 5,000,000 flow-through units (the “FT Units”) at \$0.20 per FT Unit for gross proceeds of \$1,000,000. Each FT Unit consisted of one flow-through common share and one-half of one share purchase warrant (each, a “Warrant”). Each whole Warrant entitles the holder to purchase one additional non flow-through common share of the Company at a price of \$0.30 per share until May 12, 2023.

Liquidity and Capital Resources

Liquidity

The Company had a working capital of \$1,691,467 and cash and cash equivalents of \$1,962,170 at January 31, 2021 as compared to a working capital deficiency of \$347,391 and cash of \$151,553 at January 31, 2020.

The Company's current assets have increased to \$1,970,980 as at January 31, 2021 from \$153,421 as at January 31, 2020 due mainly to an increase in cash and cash equivalents. The Company's current liabilities have decreased to \$279,513 as at January 31, 2021 from \$500,812 as at January 31, 2020, mainly due to a decrease in accounts payable. The value ascribed to the Company's exploration and evaluation assets has increased from \$1,547,408 as at January 31, 2020 to \$1,998,127 as at January 31, 2021, due mainly to exploration work performed on the McGee Properties and the Perron Gold Prospect, and acquisition of the Goose Gold Property in Newfoundland, offset by a realized loss on sale of certain mineral claims of the NEBA Projects, as described above.

During the year ended January 31, 2021, the following occurred:

- In July 2020, the Company closed a non-brokered private placement consisting of 3,557,142 FT Units at \$0.035 per FT Unit and 19,176,332 NFT Units at \$0.03 per NFT Unit for gross proceeds of \$699,790;
- 16,421,531 share purchase warrants were exercised at \$0.05 per share and 15,000,000 share purchase warrants were exercised at \$0.08 per share for gross proceeds of \$2,021,077; and
- 6,500,000 stock options were exercised at \$0.05 per share for gross proceeds of \$325,000.

Subsequent to January 31, 2021, the following occurred:

- In May 2021, the Company closed a non-brokered private placement consisting of 5,000,000 FT Units at \$0.20 per FT Unit for gross proceeds of \$1,000,000;
- 14,587,731 share purchase warrants were exercised at \$0.05 per share for gross proceeds of \$729,387; and
- 4,800,000 stock options were exercised at \$0.05 per share for gross proceeds of \$240,000.

Management estimates that the Company's cash and cash equivalents are sufficient to meet its working capital requirements for the next 12 months or longer, including the existing commitments

relating to the Company's mineral properties. The Company expects to raise additional capital as the needs arise. See “Nature of Business – Mineral Properties” and “Overall Performance” for a discussion of the Company’s commitments relating to its mineral properties. As a mineral exploration company, its expenses are expected to increase as the Company explores its mineral properties further. Management does not expect the Company to generate revenues from mineral production in the foreseeable future.

The Company’s ability to conduct the planned work programs on its mineral properties, meet its ongoing levels of corporate overhead and discharge its liabilities as they become due is dependent, in large part, on the ability of its management to raise additional funds as necessary. Management anticipates that additional equity financings will need to be conducted to raise additional funds which, if successful, will result in dilution in the equity interests of the Company’s current shareholders. Obtaining commercial loans, assuming those loans would be available, will increase its liabilities and future cash commitments. Although the Company has secured financings in the past, there is no assurance that the Company will be able to do so in the future on terms that are favourable to the Company or at all. The Company’s ability to raise additional funds in the future and its liquidity may be negatively impacted by a number of factors, including changes in commodity prices, market volatility and general economic downturns.

The Company has no long-term debt.

Capital Resources

The Company has the following commitments for capital expenditures with respect to its mineral properties as of January 31, 2021. The expenditures are optional and the Company may decide not to incur such payments in the event the Company does not decide to pursue further exploration with respect to such properties. As the BC Ministry continues to respond and adapt to the directions and orders issued in response to COVID-19, the Chief Gold Commissioner has issued a blanket [Time Extension Order](#) for all claims and leases, as well as all coal licenses and leases. All but one of the Company’s BC claims have fallen into this Order and therefore the Company has until December 31, 2021 to register a statement of exploration and development, or register payment instead of exploration and development. In addition, the Minister of Energy and Natural Resources and Minister Responsible for the Côte-Nord Region, Mr. Jonatan Julien, has announced the term suspension of all claims currently in force in Québec for a 12-month period effective immediately on April 9th, 2020. All of the Company’s Quebec claims have fallen into this order therefore a period of 12 months have been added to the current expiry date of the Quebec claims.

- *BC Gold Triangle Prospects:*
 - Six mineral claims will expire on December 31, 2021. In order to keep these claims in good standing, the Company is required to incur a minimum of \$29,154 in exploration expenditures on these claims by December 31, 2021 or to pay cash-in-lieu of \$58,308.
 - One mineral claim will expire on March 23, 2022. In order to keep these claims in good standing, the Company is required to incur a minimum of \$4,134 in exploration expenditures on these claims by March 23, 2022 or to pay cash-in-lieu of \$8,267.
- *BC EL North and EL North 3 Nickel-Copper Prospects:*
 - Two mineral claims will expire on December 31, 2021. In order to keep these claims in good standing, the Company is required to incur a minimum of \$2,132

in exploration expenditures on these claims by December 31, 2021 or to pay cash-in-lieu of \$4,264.

- *BC NEBA Copper-Gold Prospects:*
 - One mineral claim will expire on December 31, 2021. In order to keep this claim in good standing, the Company is required to incur a minimum of \$9,710 in exploration expenditures on these claims by December 31, 2021 or to pay cash-in-lieu of \$19,420.
- *BC Safari Copper-Gold Property:*
 - Two mineral claims will expire on December 31, 2021. In order to keep these claims in good standing, the Company is required to incur a minimum of \$18,230 in exploration expenditures on these claims by December 31, 2021 or to pay cash-in-lieu of \$46,051.
- *BC Hammernose Gold Property:*
 - Four mineral claims will expire on April 30, 2022. In order to keep these claims in good standing, the Company is required to incur a minimum of \$27,976 in exploration expenditures on these claims by April 30, 2022 or to pay cash-in-lieu of \$55,952.
- *ON Cascallen West Gold Project:*
 - 49 mineral claims are in good standing until May 18, 2022. In order to keep these claims in good standing, the Company is required to incur a minimum of \$19,600 in exploration expenditures on these claims by May 18, 2022.
- *ON Case Lake South Cesium Prospect:*
 - 94 mineral claims are in good standing until April 29, 2022 or later. In order to keep these claims in good standing, the Company is required to incur a minimum of \$37,600 in exploration expenditures on these claims by April 29, 2022.
 - 47 mineral claims are in good standing until August 26, 2022. In order to keep these claims in good standing, the Company is required to incur a minimum of \$18,800 in exploration expenditures on these claims by August 26, 2022.
- *ON Escape Lake North PGM Project:*
 - 79 mineral claims are in good standing until May 21, 2022 or later. In order to keep these claims in good standing, the Company is required to incur a minimum of \$31,600 in exploration expenditures on these claims by May 21, 2022.
- *ON River Valley East Platinum-Palladium Prospect:*
 - 97 mineral claims are in good standing until January 24, 2022. In order to keep these claims in good standing, the Company is required to incur a minimum of \$38,800 in exploration expenditures on these claims by January 24, 2022.

- *QC Chibougamau Vanadium Prospects:*
 - After adding a period of 12 months to the current expiry date of each claim due to COVID-19, 59 Vanadium claims are in good standing until August 1, 2022. In order to renew these claims for another two years, the Company is required to incur a minimum of \$70,800 in exploration on these claims by May 31, 2022 or pay it in annual rental income to the Minister of Finance by August 1, 2022. Fees associated with these claims are \$3,909 if paid by May 31, 2022 otherwise the fees will be doubled to \$7,818 if paid between June 1, 2022 and August 1, 2022.
 - After adding a period of 12 months to the current expiry date of each claim due to COVID-19, 54 mineral claims are in good standing until January 8, 2022 or later. In order to renew these claims for another two years, the Company is required to incur a minimum of \$64,800 in exploration on these claims by November 7, 2021 or pay it in annual rental income to the Minister of Finance by January 8, 2022. Fees associated with these claims are \$3,578 if paid by November 7, 2021 otherwise the fees will be doubled to \$7,155 if paid between November 8, 2021 and January 8, 2022.
- *QC Perron East Gold Prospects:*
 - After adding a period of 12 months to the current expiry date of each claim due to COVID-19, 86 mineral claims are in good standing until January 12, 2023 or later. In order to renew these claims for another two years, the Company is required to incur a minimum of \$96,900 in exploration on these claims by November 11, 2022 or pay it in annual rental income to the Minister of Finance by January 12, 2023. Fees associated with these claims are \$5,405 if paid by November 11, 2022 otherwise the fees will be doubled to \$10,810 if paid between November 12, 2022 and January 12, 2023.
 - Seven mineral claims are in good standing until June 29, 2022. In order to renew these claims for another two years, the Company is required to incur a minimum of \$8,400 in exploration on these claims by April 28, 2022 or pay it in annual rental income to the Minister of Finance by June 29, 2022. Fees associated with these claims are \$464 if paid by April 28, 2022 otherwise the fees will be doubled to \$928 if paid between April 29, 2022 and June 29, 2022.
- *Nevada Elon and McGee Properties:*
 - The Elon claims are in good standing until September 1, 2021. In order to keep these claims in good standing, the Company is required to pay BLM fees of US\$2,310 by September 1, 2021.
 - The McGee claims are in good standing until September 1, 2021. In order to keep these claims in good standing, the Company is required to pay BLM fees of US\$7,260 by September 1, 2021.

See “Nature of Business – Mineral Properties” for a discussion of the Company’s capital expenditure commitments with respect to its mineral properties.

In addition to the above capital expenditure requirements, the Company shares office space with another three public companies and the Company pays office rent of \$1,430 on a monthly basis.

Management estimates that the Company's cash and cash equivalents are sufficient to meet its working capital requirements for the next 12 months or longer, including the existing commitments relating to the Company's mineral properties. The Company expects to raise additional capital as the needs arise. Although the Company has been successful in raising funds in the past, there is no guarantee that the Company will be able to raise additional funds in the future. The Company's ability to raise additional funds is subject to a number of uncertainties and risk factors. See "Liquidity and Capital Resources – Liquidity" and "Risks and Uncertainties".

Operating Activities

During the year ended January 31, 2021, operating activities used \$733,856 in cash. The use of cash for the year ended January 31, 2021 was mainly attributable to its loss for the period of \$779,288 and decreased accounts payable, offset mainly by share-based payments of \$148,849 and loss on sale of exploration and evaluation assets of \$170,124.

During the year ended January 31, 2020, operating activities used \$114,197 in cash. The use of cash for the year ended January 31, 2020 was mainly attributable to its loss for the period of \$579,031 offset mainly by a write-down of exploration and evaluation assets of \$228,149 and by share-based payments of \$205,043.

Investing Activities

During the year ended January 31, 2021, investing activities used cash of \$464,267 in exploration and evaluation costs consisting of the following: \$488,329 in exploration work performed in BC, Newfoundland, Quebec and Nevada, and staking costs incurred in BC, Ontario and Quebec; \$938 in security deposits for its McGee Property; offset by proceeds of \$25,000 received for sale of certain NEBA claims.

During the year ended January 31, 2020, investing activities used cash of \$137,315 comprising of \$136,684 in exploration and evaluation costs relating to exploration work performed and staking costs incurred in BC and Quebec and \$631 in security deposits for its McGee Property.

Financing Activities

During the year ended January 31, 2021, financing activities provided cash of \$3,008,740, which was attributable to gross proceeds of \$3,045,867 received for share issuance, offset by share issue costs of \$37,127.

During the year ended January 31, 2020, financing activities provided cash of \$172,076, which was attributable to share subscriptions received for a private placement of \$174,000 offset by share issue costs of \$1,924.

Changes in Accounting Policies including Initial Adoption

The Company has not adopted any new accounting policies during the year ended January 31, 2021.

Off-Balance Sheet Arrangements

The Company does not utilize off-balance sheet arrangements.

Related Parties Transactions

During the year ended January 31, 2021, the Company accrued \$7,500 in directors' fees payable to three directors, James Nelson, Dennis Aalderink and Gregory Thomson. Directors' fees and share-based payments are intended to compensate such persons for their time and dedication to the Company.

During the year ended January 31, 2021, the Company accrued \$30,000 in professional fees payable to Sea Star Consulting Inc., a private company controlled by the Chief Financial Officer, Cindy Cai, in consideration for accounting services provided to the Company.

During the year ended January 31, 2021, the Company incurred share-based payments of \$141,738 to three directors (James Nelson, Gregory Thomson and Dennis Aalderink), a private company controlled by a former director (Twila Jensen), and two officers (Seth Kay and Cindy Cai). As a mineral exploration issuer, the Company partially relies on the issuance of stock options to compensate its directors and officers for their time and dedication to the Company.

As at January 31, 2021, amounts due to related parties were \$19,428 (January 31, 2020: \$27,978), which included \$15,000 owing to three directors for unpaid directors' fees, being \$5,000 each payable to James Nelson, Dennis Aalderink and Gregory Thomson; \$2,500 payable to a former director, Spencer Smyl; \$1,928 payable to Cruz Cobalt Corp., a public company with common directors for unpaid office expenses. These amounts are unsecured, non-interest bearing and payable on demand.

All transactions with related parties have occurred and are measured at the amount of consideration established and agreed to by the related parties.

Fourth Quarter - Unaudited

The Company did not have any revenue during the three months ended January 31, 2021 and 2020. The Company had net comprehensive loss of \$242,384 for the three months ended January 31, 2021 as comparing to \$263,845 for the comparative period ended January 31, 2020. The decrease in net comprehensive loss was mainly due to a decrease in operating expenses.

Total operating expenses were decreased to \$246,585 for the three months ended January 31, 2021, as compared to \$263,839 for the three months ended January 31, 2020. The decrease resulted primarily from a decrease in share-based payments offset by an increase in corporate branding expenses.

Decreased share-based payments (three months ended January 31, 2021: \$Nil; three months ended January 31, 2020: \$205,043) were due to the Company did not grant any stock options during the three months ended January 31, 2021 (three months ended January 31, 2019: 11,000,000 stock options with an exercise price of \$0.05 per share and an expiry date of January 20,2021 were granted).

Corporate branding expenses increased during the three months ended January 31, 2021 to \$164,105 (three months ended January 31, 2020: \$Nil). Total corporate branding expenses of \$164,105 during the three months ended January 31, 2021 included the following:

- \$76,500 (three months ended January 31, 2020: \$Nil) for online branding;
- \$79,093 (three months ended January 31, 2020: \$Nil) for European marketing and news dissemination with Aktiencheck.de AG;

- \$2,250 (three months ended January 31, 2020: \$Nil) for TV ads with Blue Sun Productions Inc.;
- \$4,762 (three months ended January 31, 2020: \$Nil) for video version of news release with Investment Pitch Media; and
- \$1,500 (three months ended January 31, 2020: \$Nil) for social media services related to the corporate twitter.

The corporate branding expenses were incurred to increase the awareness of the Company and the mining industry in general.

Financial Instruments and Other Instruments

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

The fair value of the Company's receivables, and accounts payable and accrued liabilities approximates their carrying values due to the short term nature of the financial instruments. The Company's cash and cash equivalents are measured at fair value using Level 1 inputs.

The Company is exposed to varying degrees to a variety of financial instrument related risks:

Foreign Exchange Risk

Foreign exchange risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in foreign exchange rates. As at January 31, 2021, the Company has a minimal exposure to the US\$ that is subject to fluctuations as a result of exchange rate variations to the extent that transactions are made in this currency. The Company considers this risk to be insignificant and therefore does not hedge its foreign exchange risk.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash and cash equivalents and receivables are exposed to credit risk. The Company reduces its credit risk on cash by placing these instruments with institutions of high credit worthiness. As at January 31, 2021, the Company is not exposed to any significant credit risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at January 31, 2021, the Company is not exposed to any significant interest rate risk.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company manages liquidity risk by maintaining sufficient cash balances to enable settlement of transactions on the due date. The Company addresses its liquidity through equity financing obtained through the sale of common shares and the exercise of warrants and options. While the Company has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future.

Price Risk

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors the commodity prices of precious metals and the stock market to determine the appropriate course of action to be taken by the Company.

Based on management's knowledge and experience of the financial markets, management does not believe that the Company's current financial instruments will be affected by foreign exchange risk, credit risk, interest rate risk and price risk.

Proposed Transactions

Other than as disclosed herein, the Company does not have any proposed transactions as of the date of this report.

Additional Disclosure for Venture Issuers without Significant Revenue

During the year ended January 31, 2021 and 2020, the Company incurred the following expenses:

	2021	2020
Capitalized acquisition costs	\$124,959	\$11,498
Capitalized exploration costs	\$495,884	\$121,845
Operating expenses	\$618,518	\$374,898
Write-down of exploration and evaluation assets	\$Nil	\$228,149
Loss on sale of exploration and evaluation assets	\$170,124	\$Nil

Please refer to Note 5 in the consolidated financial statements for the year ended January 31, 2021 for a description of the capitalized acquisition and exploration costs presented on a property-by-property basis.

Disclosure of Outstanding Share Data

Common Shares

The Company's common shares are listed on the Canadian Securities Exchange under the symbol "SPMT". The Company's authorized share capital consists of an unlimited number of common shares without par value.

As at January 31, 2021, the Company had 224,950,852 common shares issued and outstanding.

Subsequent to January 31, 2021, the following occurred:

- 14,587,731 share purchase warrants were exercised into common shares at a price of \$0.05 per share;
- 4,800,000 stock options were exercised into common shares at a price of \$0.05 per share; and
- The Company closed a non-brokered private placement and issued a total of 5,000,000 flow-through common shares.

As at May 28, 2021, the Company had 249,338,583 common shares issued and outstanding.

Stock options

As at January 31, 2021, the Company had 7,050,000 stock options outstanding entitling the holders thereof the right to purchase one common share for each option held as follows:

Number Outstanding	Exercise Price	Expiry Date
3,000,000	\$0.05	May 15, 2021
1,400,000	\$0.05	May 24, 2021
400,000	\$0.05	May 30, 2021
2,000,000	\$0.085	September 4, 2021
250,000	\$0.05	March 13, 2022
<u>7,050,000</u>		

Subsequent to January 31, 2021, 4,800,000 stock options had been exercised into common shares. As at May 28, 2021, the Company had 2,250,000 stock options outstanding.

Share Purchase Warrants

As at January 31, 2021, the Company had 24,130,049 share purchase warrants outstanding. Each warrant entitles the holder to right to purchase one common share as follows:

Outstanding	Exercise Price	Expiry Date
2,200,000	\$0.05	September 21, 2021
4,000,000	\$0.05	January 17, 2025
17,930,049	\$0.05	July 29, 2025
<u>24,130,049</u>		

Subsequent to January 31, 2021, 14,587,731 share purchase warrants were exercised into common shares at a price of \$0.05 per share; the Company issued 2,500,000 share purchase warrants pursuant to the closing of a non-brokered private placement. As at May 28, 2021, the Company had 12,042,318 share purchase warrants outstanding.

Risks and Uncertainties

Because of the unique difficulties and uncertainties inherent in mineral exploration ventures, the Company faces a high risk of business failure.

Potential investors should be aware of the difficulties normally encountered by mineral exploration companies and the high rate of failure of such enterprises. The likelihood of success must be considered in light of the problems, expenses, difficulties, complications and delays encountered in connection with the exploration program that the Company intends to undertake on its properties and any additional properties that the Company may acquire. These potential problems include unanticipated problems relating to exploration, and additional costs and expenses that may exceed current estimates. The expenditures to be made by the Company in the exploration of the properties may not result in the discovery of any mineral deposits. Any expenditure that the Company may make in the exploration of any other mineral property that the Company may acquire may not result in the discovery of any commercially exploitable mineral deposits. Problems such as unusual or unexpected geological formations and other conditions are involved in all mineral exploration and often result in unsuccessful and/or expensive exploration efforts. If the results of the exploration do not reveal viable commercial mineralization, the Company may decide to abandon or sell some or all of the property interests.

Because of the speculative nature of the exploration of mineral properties, there is no assurance that the exploration activities will result in the discovery of any quantities of mineral deposits on the current properties or any other additional properties the Company may acquire.

The Company intends to continue exploration on the current properties and the Company may or may not acquire additional interests in other mineral properties. The search for mineral deposits as a business is extremely risky. The Company can provide investors with no assurance that exploration on the current properties, or any other property that the Company may acquire, will establish that any commercially exploitable quantities of mineral deposits exist. Additional potential problems may prevent the Company from discovering any mineral deposits. These potential problems include unanticipated problems relating to exploration and additional costs and expenses that may exceed current estimates. If the Company is unable to establish the presence of mineral deposits on the properties, the Company's ability to fund future exploration activities will be impeded, the Company will not be able to operate profitably and investors may lose all of their investment in the Company.

Because of the inherent dangers involved in mineral exploration and exploitation, there is a risk that the Company may incur liability or damages as the Company conducts business.

The search for mineral deposits involves numerous hazards. As a result, the Company may become subject to liability for such hazards, including pollution, cave-ins and other hazards against which the Company cannot insure or against which the Company may elect not to insure. At the present time the Company have no coverage to insure against these hazards. The payment of such liabilities may have a material adverse effect on the Company's financial position.

The potential profitability of mineral ventures depends in part upon factors beyond the control of the Company and even if the Company discovers and exploits mineral deposits, the Company may never become commercially viable and the Company may be forced to cease operations.

The commercial feasibility of an exploration program on a mineral property is dependent upon many factors beyond the Company's control, including the existence and size of mineral deposits in the properties the Company explore, the proximity and capacity of processing equipment, market fluctuations of prices, taxes, royalties, land tenure, allowable production and environmental regulation. These factors cannot be accurately predicted and any one or a combination of these factors may result in the Company not receiving any return on invested capital. These factors may have material and negative effects on the Company's financial performance and its ability to continue operations.

Exploration and exploitation activities are subject to comprehensive regulation which may cause substantial delays or require capital outlays in excess of those anticipated causing an adverse effect on the Company.

Exploration and exploitation activities are subject to foreign, federal, provincial, and local laws, regulations and policies, including laws regulating the removal of natural resources from the ground and the discharge of materials into the environment. Exploration and exploitation activities are also subject to foreign, federal, provincial, and local laws and regulations which seek to maintain health and safety standards by regulating the design and use of drilling methods and equipment. Properties may also be subject to complex Aboriginal claims.

Environmental and other legal standards imposed by foreign, federal, provincial, or local authorities may be changed and any such changes may prevent the Company from conducting planned activities or may increase costs of doing so, which would have material adverse effects on the Company's business. Moreover, compliance with such laws may cause substantial delays or require capital outlays in excess of those anticipated, thus causing an adverse effect on the Company, especially, foreign laws and regulations. Additionally, the Company may be subject to liability for pollution or other environmental damages that the Company may not be able to or elect not to insure against due to prohibitive premium costs and other reasons. Any laws, regulations or policies of any government body or regulatory agency may be changed, applied or interpreted in a manner which will alter and negatively affect the Company's ability to carry on business.

Because the Company's property interests may not contain any mineral deposits and because the Company has never made a profit from operations, the Company's securities are highly speculative and investors may lose all of their investment in the Company.

The Company's securities must be considered highly speculative, generally because of the nature of its business and the stage of exploration. The Company currently has exploration stage property interests which may not contain mineral deposits. The Company may or may not acquire additional interests in other mineral properties but the Company does not have plans to acquire rights in any specific mineral properties as of the date of this Management's Discussion and Analysis. Accordingly, the Company has not generated any revenues nor has the Company realized a profit from operations to date and there is little likelihood that the Company will generate any revenues or realize any profits in the short term. Any profitability in the future from the Company's business will be dependent upon locating and exploiting mineral deposits on current properties or mineral deposits on any additional properties that the Company may acquire and subsequent development. The likelihood that any mineral properties that the Company may acquire or have an interest in will contain commercially exploitable mineral deposits is extremely remote. The Company may never discover mineral deposits in respect to current properties or any other area, or the Company may do so and still not be commercially successful if the Company is unable to exploit those mineral deposits profitably. The Company may not be able to operate profitably and may have to cease operations, the price of the Company's securities may decline and investors may lose all of their investment in the Company.

As the Company faces intense competition in the mineral exploration and exploitation industry, the Company will have to compete with its competitors for financing and for qualified managerial and technical employees.

Competition includes large established mining companies with substantial capabilities and with greater financial and technical resources than the Company have. As a result of this competition, the Company may have to compete for financing and be unable to conduct any financing on terms the Company considers acceptable. The Company may also have to compete with the other mining companies for the recruitment and retention of qualified managerial and technical employees. If

the Company is unable to successfully compete for financing or for qualified employees, the exploration programs may be slowed down or suspended, which may cause operations to cease as a company.

The Company has a history of losses and have a deficit, which raises substantial doubt about its ability to continue as a going concern.

The Company has not generated any revenues during the year ended January 31, 2021 and 2020. The Company will continue to incur operating expenses without revenues if and until the Company engages in commercial operations. Accumulated loss as of January 31, 2021 was \$4,909,570 since inception. The Company had cash and cash equivalents in the amount of \$1,962,170 as at January 31, 2021. The Company estimates the average monthly operating expenses to be approximately \$50,000 each month. This estimate depends on whether the Company is active or inactive with the work programs. The Company cannot provide assurances that the Company will be able to successfully explore and develop its property interests. If the Company is unable to continue as a going concern, investors will likely lose all of their investments in the Company.

The Company's future is dependent upon its ability to obtain financing and if the Company does not obtain such financing, the Company may have to cease its exploration activities and investors could lose their entire investment.

There is no assurance that the Company will operate profitably or will generate any positive cash flow in the future. The Company will require additional financing in order to proceed with the exploration and, if warranted, development of its properties. The Company will also require additional financing for fees the Company must pay to maintain its status in relation to the rights to the properties and to pay the fees and expenses necessary to operate as a public company. The Company will also need more funds if the costs of the exploration of its mineral claims are greater than the Company has anticipated. The Company will require additional financing to sustain its business operations if the Company is not successful in earning revenues. The Company will also need further financing if the Company decides to obtain additional mineral properties. The Company currently does not have any arrangements for further financing as the Company believes that it is sufficiently funded for the current operations but in future the Company expects to raise additional capital as the needs arise. The Company's future is dependent upon its ability to obtain financing. If the Company does not obtain such financing, its business could fail and investors could lose their entire investment.

The Company's directors and officers are engaged in other business activities and accordingly may not devote sufficient time to the Company's business affairs, which may affect its ability to conduct operations and generate revenues.

The Company's directors and officers are involved in other business activities. As a result of their other business endeavours, the Company's directors and officers will exercise their fiduciary duties and duty of care but nonetheless may not be able to devote sufficient time to the Company's business affairs, which may negatively affect the Company's ability to conduct ongoing operations and its ability to generate revenues. In addition, the management of the Company may be periodically interrupted or delayed as a result of the Company's officers' other business interests.

RISKS RELATING TO THE COMPANY'S COMMON STOCK

A decline in the price of the Company's common stock could affect its ability to raise further working capital and adversely impact ability to continue operations.

A prolonged decline in the price of the Company's common stock could result in a reduction in the liquidity of its common stock and a reduction in its ability to raise capital. Because a significant portion of operations have been and will be financed through the continued sale of equity securities, a decline in the price of the common stock could be especially detrimental to liquidity and operations. Such reductions may force the Company to reallocate funds from other planned uses and may have a significant negative effect on business plans and operations, including the ability to continue current operations. If the Company's stock price declines, the Company can offer no assurance that it will be able to raise additional capital or generate funds from operations sufficient to meet its obligations. If the Company is unable to raise sufficient capital in the future, the Company may not be able to have the resources to continue normal operations or become insolvent.

The market price for the Company's common stock may also be affected by its ability to meet or exceed expectations of analysts or investors. Any failure to meet these expectations, even if minor, may have a material adverse effect on the market price of its common stock and its operations as a result.

Additional Information

The Company files annual and interim reports, information circulars and other information with certain Canadian securities regulatory authorities. The documents filed with the Canadian securities regulatory authorities are available at <http://www.sedar.com>.