Dundee Sustainable Technologies Inc.

Management's Discussion and Analysis

Years ended December 31, 2020 and 2019

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BACKGROUND

This Management's Discussion and Analysis ("MD&A") of Dundee Sustainable Technologies Inc. ("DST" or the "Corporation") constitutes management's review of the factors that affected the Corporation's financial and operating performance for the years ended December 31, 2020 and 2019. This MD&A should be read in conjunction with the Corporation's audited consolidated financial statements for the years ended December 2020 and 2019, prepared in accordance with the International Financial Reporting Standards ("IFRS").

This MD&A takes into account all material events that took place up until March 29, 2021, the date on which the Corporation's Board of Directors approved this MD&A. Unless otherwise noted, all figures are in Canadian dollars, the presentation and functional currency.

Additional information regarding the Corporation is available on Sedar at www.sedar.com and on the Corporation's website at www.dundeetechnologies.com.

INCORPORATION AND NATURE OF OPERATIONS

Incorporation
The Corporation was incorporated under the Canada Business Corporations Act on July 22, 1997. The Corporation's head office is located at 2000 Peel, Suite 860, Montréal, Quebec, Canada, H3A 2W5.

The authorized capital of the Corporation consists of an unlimited number of subordinate voting shares and multiple voting shares, each multiple voting share having 10 votes. On January 22, 2020, the Corporation consolidated its share capital on a twenty for one basis.

Dundee Corporation ("Dundee") retains multiple voting shares of the Corporation, which are convertible, at the option of Dundee, into subordinate voting shares of the Corporation for no additional consideration. The multiple voting shares of the Corporation are not listed on a stock exchange.

On July 31, 2020, the Corporation entered into a debt settlement agreement with Dundee with respect to the settlement of a portion of its debt by the issuance of subordinated voting shares in the capital of the Corporation to Dundee. After the debt settlement agreement and as at December 31, 2020, Dundee owns 49.5 million subordinate voting shares and all of the 2.5 million multiple voting shares of the Corporation giving Dundee an 82% equity interest and an 87% voting interest in the Corporation. In addition, Dundee was owed $9 million in long-term debt, including accrued interest.

Overview
The Corporation is a leader in the development and commercialization of innovative environmentally responsible technologies for the treatment of complex materials in the mining industry. Through the development of patented, proprietary processes, DST extracts precious and base metals from ores, concentrates and tailings, while permanently stabilizing contaminants such as arsenic, antimony and cadmium. These complex mineral resources may not otherwise be extracted with conventional processes because of metallurgical issues, cost, or environmental considerations.

The Corporation's main focus is the commercialization of its two innovative and patented processes (the "Technologies"). As part of the commercialization process, the Corporation has branded these technologies as the CLEVR Process™ (cyanide-free gold extraction) and the GlassLock Process™ (permanent arsenic sequestration in glass).

GlassLock Process™
DST has designed, built, and patented a method for the permanent stabilization of arsenic from numerous sources, including, but not limited to, arsenopyrite, enargite, cobaltite, flue dusts and environmental remediation. This process is an attractive technique to permanently stabilize arsenic and does so at a significantly lower cost than current alternatives, such as crystalline ferric arsenate or scorodite. This presents the Corporation with numerous opportunities to process materials considered too toxic or uneconomic to be exploited or stabilized using conventional processing methods.

CLEVR ProcessTM

DST has also developed an advanced proprietary process for the extraction of precious and base metals using sodium hypochlorite to provide a cyanide-free alternative for the exploitation of gold deposits. The primary benefit of this innovative technology is a significantly shorter processing time (1-2 hours) as compared to the cyanide (24-48 hours). In addition, the CLEVR ProcessTM operates in a fully closed-loop. A key benefit of the closed loop operation is the elimination of the need for a costly and environmentally risky tailing ponds. It also provides a reduction of the environmental footprint and produces a dry stacked, inert and stable cyanide-free tailing.

The Corporation has protected its intellectual property by filing patents during the development of its technologies. To date, the Corporation has applied or has been granted patents on 16 different processes, and it has 35 patents granted, published, pending or filed in 18 different countries. These patents expire between 2022 and 2036. The Corporation is in the process of expanding its patent portfolio for both processes and additional jurisdictions as warranted.

Inherent in the commercialization of these processes is significant technology development risk. Each of these processes may require significant additional development, testing and investment prior to final commercialization. There can be no assurance that such technologies will be successfully commercialized, or that output from any use of the Corporation's processes could be produced at a commercial scale at reasonable costs or successfully marketed.

Technical Services

The Corporation also uses its state-of-the-art laboratory and processing facility in Thetford Mines, Quebec to assist other companies with metallurgical services or complete small to industrial scale processing campaigns and testing.

RESPONSE TO COVID-19 SITUATION

The year 2020 has been marked by the severity of the Coronavirus global outbreak. The extent and duration of impacts that the Coronavirus may have on Dundee Sustainable Technologies' operations including suppliers, contractors, service providers, employees and on global financial markets is not known at this time but could be material. The Thetford site was temporarily closed as a result of the measures taken by the Quebec provincial government on March 23rd, 2020 and re-opened on May 11th. During that period, about one third of the labour force were forced to take a temporary layoff and the balance of the labour force was able to continue working remotely. The Corporation is monitoring developments and has taken appropriate actions to mitigate the risks for its employees and operations, including safety procedures and contingency plans to continue full operations at its plant in Thetford Mines.

OPERATIONS DURING 2020

GlassLock Process™

DST's primary driver in the coming years is expected to be its GlassLock ProcessTM, followed by higher upside from its CLEVR ProcessTM in the longer run. Using its GlassLock ProcessTM technology, arsenic, which is a significant and dangerous waste product from the mining industry, can be safely and permanently vitrified in a glass form for disposal at the mine site, smelter or in remediation situations. DST has finalized in 2020 the successful demonstration of its GlassLock ProcessTM for a metal processing facility in Africa. This important step was followed by the execution of the client's option to buy the exclusive rights on the technology for a period of one year in return for a cash payment of US$1 million. This is part of a moratorium agreement that includes a five-year renewable exclusive right for copper smelters with a payment of US$1 million per year; plus an option to extend the right for two more years for US$2 million per year. In addition to the moratorium agreement, the same client awarded an engineering contract to the Corporation for the design of a full-scale plant, and the decision on the construction is expected to be made in the second or third quarter of 2021.

CLEVR ProcessTM

DST is also commercializing its CLEVR ProcessTM to address the growing pressure from communities and governmental authorities over the use of cyanide in gold extraction. This proprietary process for the extraction of precious and base metals uses a relatively benign reagent, sodium hypochlorite, as opposed to the more toxic cyanide as an alternative for the exploitation of gold deposits. The primary benefit of this innovative technology is a significantly shorter processing time (1-2 hours) as compared to the cyanide (24-48 hours). In addition, the CLEVR ProcessTM operates in a fully closed-loop. A key benefit of the closed-loop operation is the elimination of the need for a costly and environmentally risky tailing ponds. It also reduces the environmental footprint by producing a dry stacked, inert and stable cyanide-free tailing. DST is working with customers that seek alternative processes that can extract gold without the environmental liabilities associated with cyanide, while still maintaining control over the deleterious elements such as arsenic, mercury and antimony. DST offers a competitive alternative to the cyanidation process.

Technical Services

DST continues to build its technical services business and under the terms of these contracts, the Corporation will provide technical services in markets such as aluminum by-products, fertilizers, lithium, cobalt, nickel, magnesium, graphite and gold. Contributions from these contracts will help to offset developmental and operating costs related to its primary Technologies.

BUSINESS STRATEGY

The growing pressure from communities and government authorities over the use of cyanide in various jurisdictions around the world is forcing developing gold projects to seek alternative processes that can extract the gold without the environmental liabilities associated with cyanide, while maintaining control over the deleterious elements such as arsenic, mercury and antimony.

DST offers a competitive alternative to the cyanidation process. Technologies are at the forefront of the mining industry's innovative extraction processes and caters to the worldwide growing need for extractive technologies capable of processing refractory and arsenic bearing material. This alternative provides DST leverage to access quality material including material from metallurgical or environmentally constrained deposits.

DST's business plan is focused on controlling both of its Technologies and leveraging them to become a major player in the industry. The Corporation has a unique opportunity to emerge as a stakeholder in multiple mining projects. In the immediate term, DST is focused on advancing its discussions with major gold and copper producing companies on building alternative processing and stabilization processes. The Corporation is currently processing test material for a number of customers. Assuming successful results, the next step is to negotiate the business terms with those customers for commercializing its Technologies.

The Technologies that the Corporation has developed with respect to complex deposits will allow for the development and or advancement of mining projects that would not be viable without its patented Technologies. DST has identified over 100 gold projects that could face significant concerns due to cyanide use, environmental and/or metallurgical constraints. The commercialization of the Corporation's Processes would enable mining companies to advance those projects which are currently constrained because of the refractory or toxic nature of their deposits. Discussions are ongoing with a number of mining companies to help advance these otherwise stranded deposits.

INFORMATION ON EQUITY

The authorized capital of the Corporation consists of an unlimited number of subordinate voting shares and multiple voting shares, without nominal or par value. The holders of subordinate voting shares are entitled to one vote for each subordinate voting share and the holders of multiple voting shares are entitled to ten votes for each multiple voting share. The holders of subordinate voting shares and multiple voting shares shall be entitled to receive and to participate equally as to dividends, share for share, in an equal amount on all the subordinate voting shares and multiple voting shares at the time outstanding. The holder of multiple voting shares shall be entitled at any time and from time-to-time to have any or all of the multiple voting shares converted into subordinate voting shares based on one subordinate voting share for each multiple voting share. In all other respects, the holders of subordinate voting shares and multiple voting shares shall rank equally and the same rights and restrictions.

On January 22, 2020, the Corporation consolidated its share capital on a twenty old shares for one new share basis.

On July 31, 2020, DST entered into two debt settlement agreements with Dundee and Investissement Quebec (IQ), with respect to the settlement of a portion of various debts of the Corporation by the issuance of subordinated voting shares in the capital of the corporation to Dundee and IQ. Following the completion of the debt settlement agreements, there were a total of 60,667,997 subordinate voting shares and 2.5 million multi-voting shares of the Corporation issued and outstanding.

	March 29, 2021
Subordinate voting shares issued	60,667,997
Options	5,473,750
Warrants	714,285
Total – fully diluted subordinate voting shares	**66,856,032**
Multiple voting shares issued (each multiple voting share has 10 votes)	**2,500,000**

(1) At March 29, 2021, Dundee owned 49.5 million subordinate voting shares of the Corporation (81.63%) and all of the outstanding multiple voting shares.

STOCK OPTION PLAN

The Board of Directors of the Corporation has full and final discretion to designate the persons who are to be granted options and to determine such number of options as well as their exercise price and vesting period. The exercise price shall not be less than that permitted under the rules of any stock exchange on which the subordinate voting shares are listed. The purpose of the stock option plan is to serve as an incentive for the directors, officers, employees and service providers who will be motivated by the Corporation's success as well as to promote ownership of common shares of the Corporation by these people. There is no performance indicator relating to profitability or risk attached to the plan.

In September 2020, the Corporation granted a total of 4,700,000 stock options to its directors, officers and employees. These options are exercisable at $0.35 per share, with one third vesting immediately and one third vesting annually over the next two year and expire on the fifth anniversary of their date of issuance. The fair value of options awarded is $0.24 per option for a total share-based payment expense of $508,383.

FINANCING ACTIVITIES

Year ended December 31, 2020

Promissory note from a Related Party
During 2020, the Corporation signed three promissory notes in the total principal amount of $1,145,000 payable on demand to a wholly owned subsidiary of Dundee along with interest at a rate of 18% per annum. On July 31, 2020, the Corporation entered into a debt settlement agreement with respect to the promissory notes to convert the outstanding amount into subordinate voting shares. At the date of the conversion, the principal amount of the promissory notes totaled $5,884,000 and the finance cost accrued during 2020 amounted to $589,038.

On September 16, 2020, the Corporation signed a promissory note under new terms for a total amount of $450,000, payable to a wholly owned subsidiary of Dundee. The new promissory note has a maturity date of July 13, 2023 along with interest at a rate of 8% per annum.

As at December 31, 2020, the principal amount of the promissory note totaled $450,000 and the finance cost accrued during 2020 amounted to $10,525.

On December 14, 2020, IQ advanced a loan of $428,100 to the Corporation as part of IQ's Support for Innovation Program (the "IQ Innovation Loan"). The IQ Innovation Loan will mature six years after the initial disbursement and will bear interest at a rate of 3.04% per annum. The Corporation will benefit from a 24-month moratorium period on the repayment of capital since the first disbursement, after which, the capital will be reimbursed in 48 monthly installments. The Financing is secured by a second-degree hypothec over all of the Corporation's property other than the intellectual property.

Year ended December 31, 2019

Promissory note from a Related Party
During 2019, the Corporation signed four promissory notes in the total principal amount of $2,064,000 payable on demand to a wholly owned subsidiary of Dundee along with interest at a rate of 18% per annum.

As at December 31, 2019, the aggregate principal amount of the promissory notes outstanding totaled $4,739,000 and the finance cost accrued during 2019 amounted to $716,194.

INVESTING ACTIVITIES

In 2020, the Corporation agreed to sell its investment in shares in a related company for total proceeds of $88,750. No investing activities were performed in 2019.

LIQUIDITY AND WORKING CAPITAL

On December 31, 2020, the working capital position of the Corporation was $56,042 (negative $25,822,614 as at December 31, 2019). This working capital includes $400,000 of accrued liabilities payable to Dundee (long-term loans of $19,545,673 from Dundee as at December 31, 2019). Management estimates that the Corporation will not have sufficient funds to meet its obligations and budgeted expenditures through the twelve months ended December 31, 2021. The Corporation will periodically have to raise additional funds to continue operations. The Corporation is pursuing financing alternatives to fund its operations and working towards developing its activities to operate as a going concern. Although there is no assurance that the Corporation will be successful in these actions, management believes, based on previous fund-raising experience and commercial activities, that it will be able to secure the necessary financing. Financings could be completed through the issuance of debt or new equity in public or privately negotiated equity offering. While it has been successful in doing so in the past, there can be no assurance that it will be able to do so in the future.

DISCUSSION AND ANALYSIS OF OPERATIONS

Revenues

During the year ended December 31, 2020, the Corporation processed material for a number of customers, including major gold producers, for testing of ores and concentrates using the Corporation's Technologies. As well, exploration and development companies in other commodities such as aluminum, nickel, graphite and lithium utilized the Corporation's facilities and highly skilled personnel for the advancement of their projects.

The Corporation provided its technical expertise and its facilities to these companies to evaluate the development of their projects using the Corporation's Thetford Mines facility including its CLEVR Process™ for precious metal extraction and/or its GlassLock Process™. The technical services may serve to demonstrate the efficiency of the Corporation's facilities and technical staff at the laboratory and/or pilot scales on specific projects in need of viable processing alternative and initiate engineering studies required for an industrial implementation.

Revenues totaled $3,221,574 during the year ended December 31, 2020 with related costs of $2,531,806 recorded under operating expenses related to these services. The Corporation reported revenues of $1,372,025 with related costs of $1,350,412 in the prior year. Revenues by line of business were as below:

	2020	2019
	$	**$**
GlassLock Process	2,006,031	140,165
CLEVR Process	143,504	242,720
Other service revenues	1,072,039	989,140
	3,221,574	**1,372,025**

The increase in revenue generated by the GlassLock Process was generated by the agreement of the industrial demonstration scale GlassLock plant completed in 2019. The agreement included an option for a moratorium on the promotion of the technology for other copper smelter for a period of one year, in return for a payment of $1,307,389 (US$1,000,000). In March 2020, the customer exercised this option and the Corporation is recognizing this revenue over the life of the moratorium.

Operating expenses

The major components of the operating expenses are as follows:

	2020	2019
	$	**$**
Labour	1,035,692	593,401
Consultants	851,561	199,033
Consumables	270,014	14,038
Plant overhead	374,539	543,940
	2,531,806	**1,350,412**

Technology development

During the year ended December 31, 2020, the Corporation incurred technology development costs of $1,050,596 ($2,580,471 in 2019) primarily on its GlassLock Process™. These costs relate to research activities conducted in the arsenic technology and the laboratory. The remaining expenses relate to the operation of the demonstration plant, other technology development, patent maintenance and plant overhead.

The Corporation periodically receives reimbursement of project expenses generated under a collaboration agreement with a related party and financial assistance under government incentive programs. These compensate the Corporation for expenses incurred and are normally recognized as a reduction to research and development expense on a systematic basis in the same periods in which the expenses are incurred. On a net-of-assistance and contribution from a related party basis, research and development costs amounted to $119,721 (cost of $1,280,410 in 2019).

	2020	2019
	$	$
Arsenic plant	-	1,146,070
Plant expenses	958,267	1,328,667
Patent maintenance	92,329	105,734
Technology development	1,050,596	2,580,471
Net contribution from a related party	(192,669)	(896,330)
Sustainable Development Technology Canada Foundation (SDTC) contribution	(125,000)	(390,845)
Tax credit and other government subsidies	(501,768)	(12,886)
Government subsidy on IQ loan	(111,438)	-
Technology development expenses, net	**119,721**	**1,280,410**

Professional and consulting fees

	2020	2019
	$	$
Legal	37,597	23,288
Audit, audit related work and tax compliance	118,960	73,588
Accounting	9,737	2,393
Other	12,182	-
	178,476	**99,269**

The increase in legal fees in 2020, was mainly due to the work related to the consolidation of its share capital on a twenty for one basis completed on January 22, 2020.

Audit fees increased in 2020 compared to the same period of previous year due to the implementation of new accounting policies and the overall increased activity of the Corporation.

Administrative expenses

	2020	2019
	$	$
Insurance	165,400	124,526
Rent and lease operating expenses	73,932	110,196
Website and technical support	18,542	49,566
Travel and accommodations	12,032	56,038
Telecommunications and others	29,353	59,216
	299,259	**399,542**

The increase in insurance expense was due to the renewal of our D&O policy. Canadian D&O market and in particular, companies that are domiciled in Quebec, have seen some significant upward pressure on rating and tightening of underwriting parameters.

The decrease in rent and lease operating expenses was due to the amount recorded in 2020 accounting only for variable operating expenses of the office, compared to the same period in 2019, where the first half of the year also included variable operating expenses and rent of a short-term operating lease which was out of the IFRS 16 scope.

Wages and compensation

	2020	2019
	$	$
Employees	471,473	482,627
Officer compensation	143,510	186,038
Director fees	34,000	34,000
	648,983	**702,665**

Officer compensation relates to the President and Chief Executive Officer's (CEO) compensation. The remuneration of the actual CEO is based on a monthly rate of $16,667. A portion of the remuneration of the actual CEO is allocated to operating expenses to account for his work provided to service contracts. Until March 2020, the remuneration of the former President and CEO was based on a monthly rate of $15,833.

Other Gains and Losses

	2020	2019
	$	$
Interest expenses on:		
Dundee loans and Dundee promissory notes	1,495,507	1,769,902
Dundee accretion expense	78,746	-
IQ loan	378,506	394,111
IQ loan accretion expense	67,513	180,397
CED Contribution accretion expense	11,970	28,411
Interest expense on leases	137,184	161,283
Other interest expense	2,178	3,214
Finance income on debt valuation	(1,065,573)	-
Gain on debt settlement	(1,347,626)	-
Gain on disposal of investment	(29.500)	-
Other income	(28,921)	-
	(300,016)	**2,537,318**

SELECTED QUARTERLY INFORMATION

The following table sets forth selected historical financial information for the Corporation from the last eight quarters. Such information is derived from the Corporation's interim unaudited consolidated financial statements prepared in accordance with IFRS.

	Q4-20	Q3-20	Q2-20	Q1-20
	$	$	$	$
Total revenue	834,817	861,173	1,047,939	477,645
Operating income (loss)	109,628	(809,834)	34,687	(965,276)
Net income (loss) and comprehensive income (loss)	1,044,845	(288,543)	(573,010)	(1,520,778)
Basic and diluted net income (loss) per share	0.02	(0.006)	(0.031)	(0.083)
	Q4-19	**Q3-19**	**Q2-19**	**Q1-19**
	$	$	$	$
Total revenue	332,563	455,334	411,292	172,836
Operating loss	(694,363)	(622,653)	(629,059)	(1,042,598)
Net loss and comprehensive loss	(1,381,393)	(1,300,521)	(1,251,192)	(1,620,128)
Basic and diluted net (loss) per share	(0.076)	(0.071)	(0.069)	(0.088)

For the quarter ended September 30, 2020, net loss and comprehensive loss was overstated by $ 1,347,626 as a result of a gain on debt settlements which should have been accounted for during the three months period ended on September 30, 2020, rather than in the last quarter. For the year ended December 31, 2020, the Gain on debt settlements is adequately accounted for

FOURTH QUARTER

Operating Activities
The Corporation reported a net income of $1,044,845 for the fourth quarter of 2020 ("Q4-2020") compared to a loss of $1,381,393 for the same period last year ("Q4-2019"). The main reasons for the variance are:

a) Gain on debt settlement of $1,347,626 accounted for in Q4-2020 with respect to the settlement of a portion of various debts of the Corporation;
b) Revenues of $834,817 during Q4-2020 from service contracts compared to $332,563 in Q4-2019. The increase was due to non-recurrent service contract performed during Q4-2020; and
c) During Q4-2020, research and development expenses totaled a benefit of $212,277 (expenses of $132,679 in Q4-2019) mainly for the net contribution and the SDTC grant received for the conclusion of the arsenic demonstration plant project.

Investing Activities

No investing activities were performed during Q4-2020.

Financing Activities

Long-term IQ Innovation loan – During Q4-2020, an amount of $428,100 was advanced to the Corporation. The loan will mature six years since the initial disbursement and will bear interest at a rate of 3.04% per annum. The Corporation will benefit from a 24-month moratorium period on the repayment of capital since the first disbursement, after which, the capital will be reimbursed in 48 monthly installments.

OUTLOOK FOR 2021

The Corporation continues to move towards the commercialization of its Technologies and seeking to maximize the value of all of its assets to accelerate this growth. The Corporation has numerous initiatives that it will execute to ensure success.

Glasslock Process™
The Corporation completed the delivery of the industrial demonstration GlassLock plant onsite a mineral processing facility in 2019. During that year, the Corporation successfully performed a demonstration campaign and presented the technical report to the customer. The Corporation then received a mandate from the client to perform the basic engineering phase for a full-scale implementation on site. The customer also exercised the option for a moratorium on the promotion of the technology to other copper smelters for a period of one year, in return for a payment of US$1,000,000. The Corporation also intends to use results from this program to position the technology for adoption by other customers around the world. A decision from the client is pending to proceed with the construction of a full-scale plant in 2021 which would represent a major breakthrough for the Corporation.

In addition, the Corporation was awarded a mandate for metallurgical testwork and basic engineering report for another industrial implementation of its Glasslock Process in Ghana. This site contains legacy flue dusts contaminated by arsenic but also contains recoverable gold. The Corporation successfully demonstrated its ability to extract gold and stabilize the arsenic using its Glasslock Process. A decision is also pending from this other client to proceed with the construction of an industrial plant in 2021.

CLEVR Process™

Since completing the second of two CLEVR Process™ industrial demonstration campaigns, the Corporation has continued to work with major and mid-tier gold producers to test the applicability of the CLEVR Process™ on dedicated gold deposits and to deliver technical & economic studies, designed with the objective of building the first commercial plant in partnership with a strategic partner. The demonstration campaigns established the proof of concept of the Corporation's CLEVR Process for different ore and concentrate streams. DST has been engaged for metallurgical testing programs and flow sheet development for gold customers for the application of the CLEVR Process™ on deposits under development. The Corporation is working with several properties in Asia, South America, Africa and Canada to test their ores and concentrates using the CLEVR Process™.

***Technical Services**:*

The Corporation owns a state-of-the-art mineral processing and metallurgical (hydro & pyro) facilities which is being made available for test programs ranging from laboratory (kg-scale) to the industrial scale (+1,000 tons). The Corporation is working on two significant technical services projects that could result in revenues of $3.0 million over the next two years. Management is constantly in discussions with numerous parties with respect to projects that will maximize the value of its Thetford Mines facility.

Management estimates that the Corporation will have to raise funds for its operations and to continue its activities. Although there is no assurance that the Corporation will be successful in these actions, management believes, based on previous fund-raising experience, that it will be able to secure the necessary financing through the issuance of debt or new equity in public or privately negotiated equity offering. While it has been successful in doing so in the past, there can be no assurance that it will be able to do so in the future.

OFF BALANCE SHEET ARRANGEMENTS

The Corporation did not enter into any off-balance sheet arrangements during 2020 and 2019.

CONTRACTUAL OBLIGATIONS AND COMMITMENTS

The contractual obligations of the Corporation include lease payments for the Thetford Mines facilities and the head office in Montreal (Refer to Note 5 to the consolidated financial statements for the years ended December 31, 2020).

RELATED PARTY TRANSACTIONS

In addition to the transactions discussed in the financing and investing sections, details of related party transactions with the officers and directors of the Corporation and companies they control are as follows:

	2020	2019
	$	$
Professional and consulting fees		
Administration(1)	274,477	186,996
Legal(2)	1,906	16,576
Director's fees	34,000	34,000
	310,383	**237,572**

(1) A total of $147,432 of fees paid to a private company controlled by David Lemieux, President and CEO from April to December 2020. Additionally, a total of $121,916 of fees paid until March 2020 to a private company controlled by Brian Howlett, the former President and CEO.
(2) Fees paid to a private company controlled by Luce Saint-Pierre, the former Corporate Secretary.

ACCOUNTING POLICY CHANGES, CRITICAL ESTIMATES, JUDGMENTS AND ASSUMPTIONS

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. There is a full disclosure and description of the Corporation's critical accounting policies, estimates, judgments, assumptions in the consolidated financial statements as at December 31, 2020 in notes 1, 2 and 3.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Corporation is exposed to various financial risks resulting from both its operations and its investments activities. The Corporation does not enter into financial instrument agreements including derivative financial instruments for speculative purposes. The Corporation's main financial risk exposure and its financial risk management policies are disclosed in Note 16 to the annual consolidated financial statements for the years ended December 31, 2020 and 2019.

RISKS AND UNCERTAINTIES

The Technologies are relatively new, and the Corporation has limited history of operations that, to date, has consisted primarily of research and development. The Corporation has generated limited revenue from its core technologies and has limited experience in selling or marketing these technologies. The technology has not gained significant market exposure but is beginning to demonstrate market acceptance. Whether the Corporation can successfully manage the transition to a commercial enterprise will depend upon a number of factors, including expanding the sales and marketing capabilities, as well as establishing relationships with strategic partners. Given the limited market acceptance with respect to the Corporation's technologies, there can be no assurance as to the achievability of projected market penetration rates and associated sales revenues.

No Independent Evaluation of the Process.

While the Corporation's research with respect to its technologies has, in the opinion of management, been validated in various applications and while various third parties (without limitation, Dundee Precious Metals Inc. and eCobalt Solutions Inc.) have carried out due diligence procedures to their satisfaction, there has been no independent evaluation of the Technologies. There can be no assurance that we will be able to achieve our growth strategy and bring the Technologies to commercialization. The inability to bring the Technologies to commercialization could have a material adverse effect on operations.

Intellectual Property

The Corporation relies on patents, trade secrets, trademarks and copyright laws to protect its intellectual property. The patents to which the Corporation currently has rights expire between 2022 and 2036. The Corporation's present or future-issued patents may not protect the Corporation's technological leadership, and the Corporation's patent portfolio may not continue to grow at the same rate as it has in the past. Moreover, the Corporation's patent position is subject to complex factual and legal issues that may give rise to uncertainty as to the validity, scope and enforceability of a particular patent. Accordingly, there is no assurance that: (a) any of the patents owned by the Corporation will not be invalidated, circumvented, challenged, rendered unenforceable; or (b) any of the Corporation's pending or future patent applications will be issued with the breadth of claim coverage sought by the Corporation, if issued at all. In addition, effective patent, trade secret, trademark and copyright protection may be unavailable, limited or not applied for in certain countries.

The Corporation also seeks to protect its proprietary intellectual property, including intellectual property that may not be patented or patentable, in part by confidentiality agreements and, if applicable, inventors' rights agreements with strategic partners and employees. The Corporation can provide no assurance that these agreements will not be breached, that the Corporation will have adequate remedies for any breach, or that such persons or institutions will not assert rights to intellectual property arising out of these relationships.

Management believes that the Technologies do not infringe on the proprietary rights of third parties. There can be no assurance, however, that third parties will not claim such infringement by the Corporation with respect to current or future products or processes. Dealing with any such claims, with or without merit, could be time consuming, result in costly litigation, or require the Corporation to enter into further royalty or licensing agreements, which may or may not be available on terms acceptable to the Corporation. The failure to do any of the foregoing may have a material adverse effect on the Corporation.

Competition

The Corporation competes with other companies to develop products and services designed to extract precious and base metals. Many of these other companies have substantially greater technical and financial resources than the Corporation. There can be no assurance that developments by others will not materially adversely affect the competitiveness of the Corporation.

The mining industry is characterized by extensive research and development efforts and is going through a period of rapid technological change. Competition can be expected to increase as technological advances are made and commercial applications for extraction of products and services increase. Competitors of the Corporation may use different technologies or approaches to develop products and services similar to products and services which the Corporation is seeking to develop or may develop new or enhanced products and services that may be more effective, less expensive, safer or more readily available before the Companies obtain approval of their products and services. There can be no assurance that the Corporation's products and services will compete successfully or that research and development will not render the Companies' products and services obsolete or uneconomical.

Impact of Unfavourable Economic and Political Conditions and Other Developments and Risks.

Unfavourable global, domestic or regional economic or political conditions and other developments and risks could negatively affect the Corporation's business. For example, unfavourable changes related to interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, consumer credit availability, consumer debt levels, tax rates and policy, unemployment trends, commodity prices, oil prices, and other matters that influence, confidence and spending could adversely impact our business and results of operations. In addition, unstable political conditions or civil unrest, including terrorist activities and worldwide military and domestic disturbances and conflicts, may disrupt commerce and could have a material adverse effect on our business and results of operations.

Key Personnel

The Corporation's management team of seasoned and committed industry veterans has achieved success in developing the Corporation's business. The Corporation's continued success and the execution of its growth strategy will depend, in part, on the continued services of this management team.

The Corporation's management team is composed of a relatively small group of senior executive officers. The loss of the technical knowledge, management expertise and knowledge of the Corporation's operations of one or more members of the team could result in a diversion of management resources, as the remaining members of management would need to cover the duties of any senior executive who leaves the Corporation and would need to spend time usually reserved for managing the Corporation's business to search for, hire and train new members of management. The loss of some or all of the Corporation's management team could negatively affect the Corporation's ability to develop and pursue its growth strategy, which could adversely affect its business and financial condition.

In addition, the market for key personnel in the industry in which the Corporation competes is highly competitive, and the Corporation may not be able to attract and retain key personnel with the skills and expertise necessary to manage its business.

Ability to Attract and Retain Quality Employees

The Corporation's business is dependent upon attracting and retaining quality employees. If the Corporation were unable to hire, train and retain employees capable of developing the technology, the Corporation may not be able to maintain its competitive strength and realize on its growth strategy. The Corporation may be unable to commercialize its technologies.

The Corporation's ability to meet its labour needs while controlling the costs associated with hiring and training new employees is subject to external factors such as unemployment levels, prevailing wage rates, minimum wage legislation and changing demographics. Changes that adversely impact the Corporation's ability to attract and retain quality employees could adversely affect its business.

Material Disruption in Computer Systems

The Corporation relies extensively on its computer systems to process transactions, collect and summarize data and manage its business. Computer systems are subject to damage or interruption from power outages, computer and telecommunications failures, computer viruses, security breaches, catastrophic events such as fires, floods, earthquakes, tornadoes, hurricanes, acts of war or terrorism, and usage errors by our employees. If the Corporation's computer systems are damaged or cease to function properly, the Corporation may have to make a significant investment to fix or replace these systems and may suffer loss of critical data and interruptions or delays in operations in the interim. Any material interruption in the computer systems could adversely affect the Corporation's business or results of operations and reputation.

Regulations

The Corporation is subject to customs, environmental and other laws. Although the Corporation undertakes to monitor changes in these laws, if these laws change without the Corporation's knowledge, it could be subject to fines or other penalties under the controlling regulations, any of which could adversely affect its business.

Insurance Related Risks

The Corporation maintains Directors and Officers Insurance, Liability Insurance, Pollution and Property and Liability Insurance. However, there is no guarantee that the insurance coverage will be sufficient, or that insurance proceeds will be paid to the Corporation in a timely manner. In addition, there are types of losses we may incur but against which the Corporation cannot be insured, or which management believes are not economically reasonable to insure, such as losses due to acts of war and certain natural disasters. If the Corporation incurs these losses and they are material, the Corporation's business, operating results and financial condition may be adversely affected. In addition, certain material events may result in sizable losses for the insurance industry and materially adversely affect the availability of adequate insurance coverage or result in significant premium increases. Accordingly, the Corporation may elect to self-insure, accept higher deductibles or reduce the coverage.

Environment

The Corporation could be liable for environmental damages resulting from its research, development operations.

The Corporation's business is exposed to the risk of harmful substances escaping into the environment, resulting in personal injury or loss of life, damage to or destruction of property, and natural resource damage. Depending on the nature of the claim, the Corporation's current insurance policies may not adequately reimburse us for costs incurred in settling environmental damage claims, and in some instances, we may not be reimbursed at all.

Commodity Risk

Commodity price risk is the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The price of gold and precious metals may affect the profitability of the Corporation. Historically, such prices have fluctuated and are affected by numerous factors outside of the Corporation's control, including, but not limited to: industrial and retail demand, central bank lending, forward sales by producers and speculators, levels of worldwide production, short-term changes in supply and demand because of speculative hedging activities and other factors such as significant mine closures.

Going Concern

Management estimates that the Corporation will not have sufficient funds to meet its obligations and budgeted expenditures through to December 31, 2021. The Corporation will therefore periodically have to raise additional funds to continue operations. The Corporation is pursuing financing alternatives to fund its operations and to continue its activities as a going concern. Although there is no assurance that the Corporation will be successful in these actions, management believes that it will be able to secure the necessary financing through the issuance of debt or new equity in a public or private equity offering. While it has been successful in doing so in the past, there can be no assurance that it will be able to do so in the future.

Although the referenced consolidated financial statements have been prepared using IFRS applicable to a going concern, the above-noted facts and circumstances cast significant doubt on the Corporation's ability to continue as a going concern.

The referenced consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities, to the reported expenses and to the financial position classifications that would be necessary if the going concern assumption was inappropriate. These adjustments could be material.

COVID-19

The current outbreak of novel Coronavirus (COVID-19) and any future emergence and spread of similar pathogens could have an adverse impact on global economic conditions which may adversely impact the Corporation's operations, and the operations of its suppliers, contractors and service providers, the ability to obtain financing and maintain necessary liquidity. The outbreak of COVID-19 and political upheavals in various countries have caused significant volatility in commodity prices. The outbreak is causing companies and various international jurisdictions to impose restrictions such as quarantines, business closures and travel restrictions. While these effects are expected to be temporary, the duration of the business disruptions internationally and related financial impact cannot be reasonably estimated at this time. The Corporation is monitoring developments and has taken appropriate actions in order to mitigate the risk, including safety procedures and contingency plans to continue operations at its plant in Thetford Mines.

FORWARD LOOKING STATEMENTS

DST's public communications may include written or oral forward-looking statements. Statements of this type are included in this MD&A and may be included in other filings with the Canadian regulators, stock exchanges or in other communications. All such statements constitute forward looking information within the meaning of securities law and are made pursuant to the "safe harbour" provisions of applicable securities laws. Forward looking statements may include, but are not limited to, statements about anticipated future events or results including comments with respect to the Corporation's objectives and priorities for 2021 and beyond, and strategies or further actions with respect to the Corporation, its products and services, business operations, financial performance and condition. Forward looking statements are statements that are predictive in nature, depend upon or refer to future events or conditions or include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates" or similar expressions concerning matters that are not historical facts. Such statements are based on current expectations of the Corporation's management and inherently involve numerous risks and uncertainties, known and unknown, including economic factors and those affecting the technology and resources industries generally. The forward-looking information contained in this MD&A is presented for the purpose of assisting shareholders in understanding business and strategic priorities and objectives as at the periods indicated and may not be appropriate for other purposes.

A number of risks, uncertainties and other factors may cause actual results to differ materially from the forward-looking statements contained in this MD&A, including, among other factors and without limitation, those referenced in the section above entitled "Risks and Uncertainties". The preceding list is not exhaustive of all possible risk factors that may influence actual results and is compiled based upon information available as of the issuance date of this MDA.

Forward looking statements contained in this MD&A are not guarantees of future performance and, while forward looking statements are based on certain assumptions that the Corporation considers reasonable, actual events and results could differ materially from those expressed or implied by forward looking statements made by the Corporation. Prospective investors are cautioned to consider these and other factors carefully when making decisions with respect to the Corporation and not place undue reliance on forward looking statements. Circumstances affecting the Corporation may change rapidly. Except as may be required by applicable law, the Corporation does not undertake any obligation to update publicly or revise any such forward looking statements, whether as a result of new information, future events or otherwise.

ADDITIONAL INFORMATION CONCERNING DST

Additional information relating to Dundee Sustainable Technologies may be found on SEDAR at www.sedar.com and the Corporation's website at www.dundeetechnologies.com.

March 29, 2021

(s) David Lemieux
David Lemieux
President and CEO

(s) Arved Marin
Arved Marin
CFO