Slave Lake Zinc

Management's Discussion and Analysis
For the Three Months ended December 31, 2020

This management's discussion and analysis ("MD&A") of the financial position and results of operations is prepared as of February 26, 2021. It provides an analysis of the operations and financial results of Slave Lake Zinc Corp. ("the Company" or "Slave Lake Zinc") for three months ended December 31, 2020 and should be read in conjunction with the unaudited consolidated financial statements for the three months ended December 31, 2020.

The Company is an exploration and development company formed for the purposes of exploring and, if warranted and feasible, developing a zinc, lead, copper, silver resource on our property at O'Connor Lake in the mining friendly Northwest Territories of Canada.

On November 7, 2018, the Company completed its Initial Public Offering ("IPO") and the Company's common shares are listed on the Canadian Securities Exchange ("CSE") under the trading symbol "SLZ".

Slave Lake Zinc has been active in maintaining non-physical contacts and actively pursuing a strategy to move forward with the exploration of the property. Travel restrictions have been in place due to the Covid-19 pandemic related to travel to the Northwest Territories.

Subsequent to the quarter ending December 31, 2020 on February 18, 2021, the Company issued a convertible note for proceeds of $650,000. The note bears interest at 5% per annum and is due on August 18, 2022. The note is convertible into common shares of the Company at $0.08 per share. If the closing stock price of the Company's common shares is above $0.20 for 20 consecutive trading days (provided it has traded on at least 13 of those days), the Company may on written notice require such amount of the principal amount to be converted to common shares of the Company. In connection with the convertible note, the Company issued 8,125,000 share purchase warrants exercisable at $0.15 per common share expiring on February 18, 2025.

On September 10, 2020, Slave Lake Zinc signed a collaboration agreement with the Northwest Territory Metis Nation. An initial Negotiation Agreement signed on January 22, 2020 provided the framework for the final Collaboration Agreement signed September 10, 2020 despite logistical and technical issues created by the COVID-19 crises. Our Collaboration Agreement will allow Slave Lake Zinc to dramatically advance the potential of the O'Connor Lake Project to the mutual benefit of all parties. With future exploration success at O'Connor Lake this agreement will set the stage for Slave Lake Zinc and the Northwest Territory Metis Nation ("NWTMN") to work toward an Impact Benefits agreement as the project further develops.

The Company formally acquired the Property, a mineral claim ("MWK"), tag # F97540 in the South Slave region of the Northwest Territories, NTS Map 75E05, pursuant to a mineral property acquisition agreement (the "Acquisition Agreement") dated for reference February 7, 2017 among the Company as purchaser, Jaskarn Singh Rai, Ritchie John Wigham, Glen Colin Macdonald, and Max Braden as vendors (the "Vendors") and 1089621 B.C. Ltd. as royalty holder (the "Royalty Holder"). Each of the Vendors is a founder and director of the Company and was a director of the Company at the time of entering into the Acquisition Agreement. Pursuant to the Acquisition Agreement, the Company acquired a 100% right, title and interest in and to the Property, subject to a 3.5% net smelter returns royalty, by making a cash payment of $1 to each of the Vendors. The acquisition of the Property by the Company was formalized by the Acquisition Agreement. The Property is subject to a 3.5% net smelter returns royalty (the "Royalty") to the Royalty Holder. The Company has the right to purchase 2/7th of the Royalty from the Royalty Holder at any time for $1,000,000 dollars after which the Royalty will be reduced to 2.5% of net smelter returns. After payment of $1,000,000 the Company has the right to purchase 2/5th of the remaining Royalty for $2,000,000 dollars at any time after which the Royalty rate will be reduced to 1.5% of net smelter returns. The Property has a 10-kilometer area of interest, and any mineral claims or properties interest within this area that any of the Vendors and/or associated parties acquires, through staking or otherwise, will become part of the Acquisition Agreement and be subject to the Royalty.

On June 28, 2018, the Company entered a 21-year lease commencing on August 30, 2016 with the Minister of the Department of Indian Affairs and Northern Development. The claim is 188.12 hectares and has an annual rental fee of $470 payable to the Minister of Department of Indian Affairs and Northern Development and there is no other capital commitment required to maintain the lease.

It is anticipated that at some point during the fiscal year that the Company will require further funding in the capital markets, to advance the project through further ground exploration and ultimately drilling, and to further future development of the O'Connor Lake property.

The current objective for the coming fiscal year is to advance the work done to date. We will also continue to further develop our relationship with the NWTMN and local indigenous communities to enhance and enlarge the current land position held by the Company.

The financial information in this MD&A is derived from the Company's unaudited consolidated financial statements which have been prepared in Canadian dollars, in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

This discussion contains forward-looking statements that involve risks and uncertainties. Such information, although considered to be reasonable by the Company's management at the time of preparation, may prove to be inaccurate and actual results may differ materially from those anticipated in the statements made.

CAUTION REGARDING FORWARD-LOOKING INFORMATION

This MD&A contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable Canadian legislation. These statements relate to future events or the future activities or performance of the Company. All statements, other than statements of historical fact are forward-looking statements. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or which by their nature refer to future events. These forward-looking statements include, but are not limited to, statements concerning:

- the Company's strategies and objectives, both generally and in respect of its existing business and planned business operations;
- the Company's future cash requirements;
- general business and economic conditions;
- the Company's ability to meet its financial obligations as they come due, and to be able to raise the necessary funds to continue operations;
- the timing, pricing, completion, regulatory approval of proposed financings if applicable;

Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Inherent in forward looking statements are risks and uncertainties beyond the Company's ability to predict or control, including, but not limited to, risks related to the Company's ability to raise the necessary capital or to be fully able to implement its business strategies, and other risks identified herein under "Risk Factors".

The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, and that actual results are likely to differ, and may differ materially, from those expressed or implied by forward looking statements contained in this MD&A. Such statements are based on a number of assumptions, which may prove incorrect, including, but not limited to, assumptions about:

- general business and economic conditions;
- conditions in the financial markets generally, and with respect to the prospects for small capitalization commercial/technology companies specifically;
- the Company's ability to continue to roll out is business plan which includes new product launches and associated planning in production, sales, distribution and marketing;
- the Company's ability to secure and retain employees and contractors to carry out its business plans;

These forward-looking statements are made as of the date hereof and the Company does not intend and does not assume any obligation, to update these forward-looking statements, except as required by applicable law. For the reasons set forth above, investors should not attribute undue certainty to or place undue reliance on forward looking statements.

Historical results of operations and trends that may be interpreted from the following discussion and analysis may not necessarily indicate future results from operations. In particular, the Company has moved from a private corporation operating with very limited capital and therefore with very restricted operations, to a publicly traded venture issuer. Accordingly, drawing trends from the Company's limited operating history is difficult.

OVERALL PERFORMANCE

The Company has no operational revenue and exploration activity is subject to the availability of funds raised through financings. Global financial and commodity markets have been volatile, and the Company is thus impacted by these generic industry factors which are beyond its control. The Company anticipates obtaining additional financing in the future primarily through further equity financing.

	For the Three months ended December 31, 2020	**For the three months ended December 31, 2019**
Revenue	**$Nil**	**$Nil**
Net Income (Loss)	**(213,229)**	**(61,707)**
Net and Comprehensive Income (Loss)	**(213,229)**	**(61,707)**
Basic and Diluted Loss per common share	**(0.01)**	**(0.00)**
Weighted average common shares outstanding	**33,494,500**	**32,894,500**
Total Assets	**354,857**	**399,693**
Total Non-Current liabilities	**$Nil**	**$Nil**
Dividends	**$Nil**	**$Nil**

SUMMARY OF QUARTERLY RESULTS

The following is a summary of the Company's financial results for the eight most recently completed quarters:

	Q1 Dec. 31 2020	**Q4 Sept. 30 2020**	**Q3 June 30 2020**	**Q2 March 31 2020**	**Q1 Dec. 31 2019**	**Q4 Sept. 30 2019**	**Q3 June 30 2019**	**Q2 March 31 2019**	**Q1 Dec. 31 2018**
Total revenues	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil
Net loss	$(213,229)	$(108,217)	(54,638)	(51,200)	$(61,707)	$(63,988)	$(69,567)	$(90,086)	$(393,359)
Loss per share, basic and diluted	$(0.01)	$(0.00)	$(0.00)	$(0.00)	$(0.00)	$(0.00)	$(0.00)	$(0.00)	$(0.01)

RESULTS OF OPERATIONS

	Three months ended December 31, 2020 $	**Net Change**	**Three months ended December 31, 2019 $**
Expenses			
Investor relations	23	(6,934)	6,957
Management fees)	41,000	-	41,000
Office and miscellaneous	1,288	(153)	1,441
Professional fees	3,205	(2,229)	5,434
Share-based compensation	162,850	162,850	–
Transfer agent and filing fees	4,863	1,754	3,109
Travel	–	(3,766)	3,766
Net loss and comprehensive loss	(213,229)	151,522	(61,707)

The Company's net loss for the three months ended December 31, 2020 was $213,229 or $0.01 per share compared to a net loss of $61,707 for the three months ended December 31, 2020. The net loss for the three months ended December 31, 2020 includes share-based compensation (Stock Options) of $162,850. There were no stock options granted during the three months ended December 31, 2019. The share-based compensation accounted for the majority of the change in the net loss incurred for the three months ended December 31, 2020 compared to the net loss of the prior year. The remaining expenses were consistent with those of the prior year.

LIQUIDITY AND CAPITAL RESOURCES

As at December 31, 2020, the Company has a working capital deficit of $89,958 and an accumulated deficit of $1,601,329.

It is anticipated that the Company will have capital requirements in excess of its currently available resources and may need to seek additional financing. There can be no assurance that the Company will have adequate financing to meet its future capital requirements or that additional financing will be available on terms acceptable to the Company in the future.

FINANCIAL INSTRUMENTS

Financial instruments recorded at fair value on the statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three levels of the fair value hierarchy are as follows:

- Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair values of financial instruments, which include accounts payable and accrued liabilities, and amounts due to related parties, approximate their carrying values due to the relatively short-term maturity of these instruments. Cash is measured at fair value based on the Level 1 hierarchy.

FINANCIAL RISK MANAGEMENT

The Company has exposure to the following risks from its use of financial instruments:

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. Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash. The Company limits its exposure to credit loss by placing its cash with high credit quality financial institutions. Accounts receivables consist of GST refunds due from the Government of Canada. The carrying amount of financial assets represents the maximum credit exposure.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquid funds to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. The contractual financial liabilities of the Company as of December 31, 2020 equal $197,241. All of the liabilities presented as accounts payable and accrued liabilities and due to related parties are due on demand. The Company intends to finance its operations over the next twelve months with existing cash, loans from directors and companies controlled by directors and cash proceeds from share private placements.

Price risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

Other Risk

During March 2020, the World Health Organization declared COVID-19 a global pandemic. This contagious disease outbreak and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, leading to an economic downturn. The impact on the Company has not been significant, but management continues to monitor the situation.

OUTSTANDING SHARE DATA

As at December 31, 2020

	Outstanding
Common shares	33,494,500
Share purchase warrants	0
Stock options	4,200,000
Fully diluted	37,694,500

Subsequent events:

(a) On February 18, 2021, the Company issued a convertible note for proceeds of $650,000. The note bears interest at 5% per annum and is due on August 18, 2022. The note is convertible into common shares of the Company at $0.08 per share. If the closing stock price of the Company's common shares is above $0.20 for 20 consecutive trading days (provided it has traded on at least 13 of those days), the Company may on written notice require such amount of the principal amount to be converted to common shares of the Company. In connection with the convertible note, the Company issued 8,125,000 share purchase warrants exercisable at $0.15 per common share expiring on February 18, 2025.

(b) On February 22, 2021, the Company granted 200,000 stock options exercisable at $0.10 per common share expiring on February 22, 2023 to a consultant.

TRANSACTIONS WITH RELATED PARTIES

(a) As at December 31, 2020, the Company owed $62,043 (September 30, 2020 - $44,043) to the President of the Company which is non-interest bearing, unsecured, and due on demand.

(b) As at December 31, 2020, the Company owed $59,565 (September 30, 2020 - $45,565) to the Chief Executive Officer of the Company which is non-interest bearing, unsecured, and due on demand.

(c) As at December 31, 2020, the Company owed $23,000 (September 30, 2020 - $20,000) to the Chief Financial Officer of the Company which is non-interest bearing, unsecured, and due on demand.

(d) As at December 31, 2020, the Company owed $25,384 (September 30, 2020 - $23,384) to directors of the Company which is non-interest bearing, unsecured, and due on demand.

(e) During the three months ended December 31, 2020, the Company incurred management fees of $18,000 (2019 - $18,000) to the President of the Company.

(f) During the three months ended December 31, 2020, the Company incurred management fees of $18,000 (2019 - $18,000) to the Chief Executive Officer of the Company.

(g) During the three months ended December 31, 2020, the Company incurred management fees of $3,000 (2019 - $3,000) to the Chief Financial Officer of the Company.

(h) During the three months ended December 31, 2020, the Company incurred management fees of $2,000 (2019 - $2,000) to directors of the Company.

(i) During the three months ended December 31, 2020, the Company incurred geological fees of $nil (2019 - $8,000) to a director of the Company.

(j) During the three months ended December 31, 2020, the Company granted 3,900,000 stock options with a fair value of $162,850 to officers and directors of the Company.

Officers and Directors

- Ritch Wigham, CEO and Director
- Jas Rai, President and Director
- Peter Cummings, CFO
- Glen Macdonald, Director
- Max Braden, Director

OFF-BALANCE SHEET ARRANGEMENTS

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

CHANGES IN ACCOUNTING POLICIES

Accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

APPROVAL

The Board of Directors of the Company has approved the disclosure contained in this MD&A on February 26, 2021.

ADDITIONAL INFORMATION

Additional information relating to the Company is on SEDAR at www.sedar.com.

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