



Slave Lake Zinc

**Management's Discussion and Analysis
For Year Ended September 30, 2021**

This management's discussion and analysis ("MD&A") of the financial position and results of operations of Slave Lake Zinc Corp. (the "Company" or "Slave Lake"), prepared as of January 27, 2022, should be read in conjunction with the audited financial statements for the years ended September 30, 2021 and 2020 which were prepared in accordance with International Financial Reporting Standards. All amounts are expressed in Canadian dollars unless otherwise indicated.

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 its 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.

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 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.

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.

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.

March 22, 2021 the Company initiated an extensive airborne geophysical survey to aggressively advance the O'Connor Lake Project. The first stage of this new field work was an airborne geophysical survey. This consisted of performing an 880-line kilometers of survey to acquire electromagnetic (EM) and magnetic response data for the project. The Company's extensive airborne survey has been designed to cover continuation of the established structural corridor that hosts the known mineralization. Anomalous results from this survey will be the subject further extensive follow up exploration on a timely basis

On March 25, 2021, the Company completed a private placement for \$360,000 and issued 4,000,000 units at a price of \$0.09 per unit. Each unit was comprised of one common share and one share purchase warrant with each warrant entitling the holder to purchase one additional share at a price of \$0.18 per share expiring on March 25, 2023.

On April 15, 2021, the Company appointed Steven Zadka as a director of the Company

April 28, 2021, the company completed the data acquisition phase of the planned detailed airborne geophysical survey at the Company's O'Connor Lake project. On May 27, 2021, the company received final data from the contractor. An initial examination indicates the survey has detected multiple northwest trending structures. These structures intersect favorable host rock lithologies and have created extensional fractures which may host the main zone mineralization which has been reported upon by the Company earlier. On June 28, 2021, the company completed a detailed analysis of aeromagnetic data for the O'Connor Lake Property main Shaft Zone area. The Company has now identified multiple sub parallel structures in the northwest trending corridor hosting the previously developed Shaft Zone mineralization.

On September 21, 2021, the company successfully amended its existing Land Use Permit and obtained a Water License for the flagship O'Connor Lake project. The amended permit was approved by the MVLWB (Mackenzie Valley Land and Water Board). The modified permit will now allow the company to operate up to 3 drill rigs along with an on-site helicopter, fuel cache and ancillary equipment. The camp may be increased to accommodate up to 49 people.

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.

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.

SELECTED ANNUAL INFORMATION

The following table sets forth selected audited financial information of the Company from the last three completed financial years ended September 30:

	2021	2020	2019
	\$	\$	\$
Total assets	868,010	364,285	451,086
Net loss	(795,260)	(275,762)	(617,000)
Net loss per share, basic and diluted	(0.02)	(0.01)	(0.02)

The net loss for the year ended September 30, 2021 includes consulting fees of \$315,840 compared to \$nil in fiscal 2020 and \$24,613 in fiscal 2019. The net loss for the year ended September 30, 2019 includes share-based compensation of \$343,910 compared to \$177,507 in fiscal 2021 and \$24,885 in fiscal 2020.

SUMMARY OF QUARTERLY RESULTS

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

Quarter ended:	Revenues	Net loss	Net loss per share, basic and diluted
	\$	\$	\$
December 31, 2019	—	(61,707)	—
March 31, 2020	—	(51,200)	—
June 30, 2020	—	(54,638)	—
September 30, 2020	—	(108,217)	—
December 31, 2020	—	(213,229)	(0.01)
March 31, 2021	—	(189,780)	(0.01)
June 30, 2021	—	(276,773)	(0.01)
September 30, 2021	—	(115,478)	—

RESULTS OF OPERATIONS

The Company's net loss for the year ended September 30, 2021, was \$795,260 or \$0.02 per share compared to a net loss of \$275,762 or \$0.01 for fiscal 2020. The net loss for the year ended September 30, 2021 includes share based compensation of \$177,507 (2020 - \$24,885), consulting fees of \$315,840 (\$nil), share-based compensation of \$177,507 (2020 - \$24,885), accretion of discount on convertible debt of \$48,043 (2020 - \$nil), and interest expense of \$18,882 (2020 - \$nil). These expenses accounted for the majority of the change in the net loss incurred for the year ended September 30, 2021 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 September 30, 2021, the Company has a working capital deficit of \$259,501 compared to \$39,579 as at September 30, 2020.

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 cash, accounts payable and accrued liabilities, amounts due to related parties, approximate their carrying values due to the relatively short-term maturity of these instruments.

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. The carrying amount of financial assets represents the maximum credit exposure.

Foreign Exchange Rate Risk

The Company is not exposed to any significant foreign exchange rate risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk as it does not have any liabilities with variable rates.

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 objective to managing liquidity risk is to ensure that it has sufficient liquidity available to meet its liabilities when due. The Company relies on raising debt or equity financing in a timely manner.

The following amounts are the contractual maturities of financial liabilities as at September 30, 2021:

	Total \$	Within 1 year \$	Within 2-5 years \$
Accounts payable and accrued liabilities	49,154	49,154	–
Convertible debt	483,271	483,271	–
Due to related parties	188,771	188,771	–

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.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

As at September 30, 2021, mineral property acquisition and exploration assets totaled \$406,315. The table below outlines the costs added to exploration and evaluation assets during the years ended September 30, 2021 and 2020:

Balance, September 30, 2019	239,104
Claims lease fees	470
Geological costs	8,000
Balance, September 30, 2020	247,574
Claims lease fees	941
Collaboration fees	10,000
Geological and geophysics	126,074
Travel	21,726
Balance, September 30, 2021	406,315

An analysis of material components of the Company's general and administrative expenses is disclosed in the audited financial statements for the year ended September 30, 2021 to which this MD&A relates.

OUTSTANDING SHARE DATA

As at January 26, 2022	Outstanding
Common shares	38,744,500
Convertible debt	6,875,000
Share purchase warrants	12,125,000
Stock options	4,400,000
Fully diluted	62,144,500

TRANSACTIONS WITH RELATED PARTIES

- (a) As at September 30, 2021, the Company owed \$67,322 (2020 - \$44,043) to the President of the Company which is non-interest bearing, unsecured, and due on demand.
- (b) As at September 30, 2021, the Company owed \$65,565 (2020 - \$45,565) to the Chief Executive Officer of the Company which is non-interest bearing, unsecured, and due on demand.
- (c) As at September 30, 2021, the Company owed \$32,000 (2020 - \$20,000) to the Chief Financial Officer of the Company which is non-interest bearing, unsecured, and due on demand.
- (d) As at September 30, 2021, the Company owed \$23,884 (2020 - \$23,384) to directors of the Company which is non-interest bearing, unsecured, and due on demand.
- (e) During the year ended September 30, 2021, the Company incurred management fees of \$72,000 (2020 - \$72,000) to the President of the Company.
- (f) During the year ended September 30, 2021, the Company incurred management fees of \$72,000 (2020 - \$72,000) to the Chief Executive Officer of the Company.
- (g) During the year ended September 30, 2021, the Company incurred management fees of \$12,000 (2020 - \$12,000) to the Chief Financial Officer of the Company.
- (h) During the year ended September 30, 2021, the Company incurred management fees of \$8,000 (2020 - \$8,000) to directors of the Company.
- (i) During the year ended September 30, 2021, the Company incurred geological fees of \$5,000 (2020 - \$8,000) to a director of the Company.
- (j) During the year ended September 30, 2021, the Company granted 3,900,000 stock options with a fair value of \$162,850 (2020 - \$nil) 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
- Steven Zadka, 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 financial statements.

APPROVAL

The Board of Directors of the Company has approved the disclosures contained in this MD&A on January 26, 2022.

ADDITIONAL INFORMATION

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

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