ETRUSCUS RESOURCES CORP.
Management's Discussion and Analysis
Six months ended September 30, 2020

Introduction

The following management's discussion and analysis ("MD&A") is dated November 27, 2020 and provides information on the activities of the Etruscus Resources Corp. ("Etruscus" or "the Company") as at and for the three and six-month periods ended September 30, 2020, with subsequent events up to the date of this MD&A, and should be read in conjunction with the Company's condensed interim financial statements for the period ended September 30, 2020 and the annual financial statements for the year ended March 31, 2020 and Notes to the financial statements thereto. The referenced financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts are expressed in Canadian dollars unless otherwise indicated. In the opinion of management, all adjustments considered necessary for a fair presentation have been included. The results presented for the period ended September 30, 2020 are not necessarily indicative of the results that may be expected for any future period.

Technical aspects of this MD&A have been reviewed and approved by the Company's Vice-President of Exploration, Dr. David Webb, P.Geo., designated as a Qualified Person under National Instrument ("NI") 43-101. This MD&A was written to comply with the requirements of NI 51-102 - Continuous Disclosure Obligations and includes material events and transactions up to the date of this report.

The Company was incorporated on July 1, 2017 and its common shares were listed for trading on the CSE Exchange ("CSE") under the trading symbol "ETR" on January 15, 2019 (the "Listing Date"). The shares were also listed for trading on the Frankfurt Stock Exchange on May 19, 2020, under the trading symbol "ERR". Further information about the Company and its operations can be obtained from the Company's office located at Suite #604 - 850 West Hastings St., Vancouver, BC, V6C 1E1, and from the internet at www.sedar.com (the "Canadian System for Electronic Document Analysis and Retrieval").

Comment on COVID-19:

On March 11, 2020, the World Health Organization declared the coronavirus COVID-19 a global pandemic. This contagious disease outbreak has continued to spread resulting in adverse public health developments. It has adversely affected global workforces, economies, and financial markets, triggering an economic downturn. The pandemic is weighing heavily on people's behavior and their mental health, causing changes in consumption patterns as some economic sectors benefit while other sectors suffer. It is not possible for the Company to predict the duration or magnitude of the impacts from the outbreak nor its effect on the Company's business or operations. Nevertheless, the Company had a successful exploration and drilling season which ended on October 9, 2020. Our stakeholders and key exploration subcontractors worked with us to ensure each had implemented virus mitigation measures, with B.C. and federal government COVID-19 guidelines having been adopted into our respective operating processes.

The Company takes the COVID-19 threat very seriously and its first priority is the health and safety of its workers. We are following the guidelines, recommendations, and required protocols as they are issued and updated by local health authorities and the provincial and federal governments in Canada. The Company developed its COVID-19 Operating Safety Plan for its office, outlining health and social distancing guidelines. An operating safety plan was also developed for field operations and exploration programs, made possible only after extensive collaborative efforts amongst key exploration subcontractors, to ensure those field operations follow both the public health guidelines and local First Nations directives and policies. Stakeholders are continuously dealing with operating capacity and availability constraints, process and activity curtailments and possible operating suspensions. The Company continues to monitor the situation, adjusting our policies and procedures as necessary.

Soon after the pandemic was declared, the Company's management, administration, exploration team, investor relations and corporate communications tasks transitioned to home-based work. We reopened our office with an appropriate COVID-19 Operating Safety Plan on May 25, 2020. We continue to maintain an open office but in the intervening months, work that could be done from home is done from home. These measures have allowed the continuation of the Company's operations through this ongoing period of uncertainty.

Cautionary Note Regarding Forward-Looking Information

Readers are cautioned that management's discussion and analysis contains "forward-looking statements". Forward-looking statements reflect the Company's current views with respect to future events, are based on information currently available to the Company and are subject to certain risks, uncertainties, and assumptions. Forward-looking statements include, but are not limited to, statements with respect to the success of mining exploration work, title disputes or claims, environmental risks, unanticipated reclamation expenses, the estimation of mineral reserves and resources and capital expenditures. In certain cases, forward-looking statements can be identified by the use of words such as "intends", "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved".

Forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, risks related to international operations, fluctuation of currency exchange rates, actual results of current exploration activities, changes in project parameters as plans are refined over time, the future price of gold, silver and other precious or base metals, possible variations in mineral resources, grade or recovery rates, accidents, labour disputes and other risks of the mining industry, delays in obtaining, or inability to obtain required governmental approvals or financing, as well as other risks discussed under "Risk Factors" and "Financial Risks". Although the Company has attempted to identify material factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. The Company has made numerous assumptions about the forward-looking statements and information contained herein, including among other things, assumptions about the Company's anticipated costs and expenditures and its ability to achieve its goals.

Even though the Company's management believes that the assumptions made, and the expectations represented by such statements or information are reasonable, there can be no assurance that the forward-looking statements or information will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements or information. Forward-looking statements contained in this MD&A are made as of the date of this report. Accordingly, readers should not place undue reliance on forward-looking statements. The Company will update forward-looking statements in its management discussion and analysis as required by applicable law.

Description of Business

The Company is a mineral exploration company without any operating revenues. Its principal project is in the Liard Mining Division in northwestern British Columbia where it has a 100% interest in the Rock & Roll Property (the "Property"), a group of 40 contiguous mineral claims totaling 22,699 hectares ("Ha").

Fourteen (14) of the claims are subject to a 2% net smelter return ("NSR") royalty, held by a group of six parties (the "Royalty Holders"). The Company has an option to purchase one-half of the 2% NSR (the "NSR Buyout Option") for a future payment of $2,000,000 to the Royalty Holders within 30 days of the commencement of commercial production or December 31, 2030, whichever comes earlier.

Previous drilling on the Property by other operators primarily between 1989-1991 totaled 103 holes, outlining a volcanogenic massive sulphide ("VMS") deposit, known as the Black Dog Deposit. The Company's primary exploration goal is to build upon its existing resource by discovering additional bigger, richer zones using new geological understandings, additional historical data sources and new analytical, exploration and drilling techniques. The second priority is to expand the scope, depth and grade of the Deposit through additional testing and drilling.

Exploration crews began field work on July 27th, 2020 and were on site until October 9th, 2020. Aside from delays in commencing the field operations and obtaining assay results, the global pandemic did not have a major effect on the Company's operations or completing the planned exploration program.

Mineral exploration involves a high degree of risk. The recoverability of the amounts expended on exploration by the Company is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete its exploration programs, the development of its mineral properties and the future profitable production of any reserves or the proceeds from the disposition of its properties. The Company has not yet determined whether the Property contains economically recoverable reserves.

Rock & Roll Property Highlights

The Property is located in the resource-rich Golden Triangle region of northwestern British Columbia, 150 km north of Stewart's Deep-Sea Port and hosts the polymetallic Black Dog Deposit, a known VMS deposit, geologically similar to the VMS deposits at the Eskay Creek Mine and Granduc Mine. Historic drilling on the Property resulted in the discovery of the massive sulphide "Black Dog Horizon" as well as the "SRV Zone". Black Dog is a poly-metallic VMS deposit primarily based on gold, silver and zinc value (refer to Table 1 below) which are worldwide saleable commodities subject to normal price variations in the global market. Numerous geochemical anomalies and geophysical conductors remain untested and potential for finding other massive sulphide lenses remains high as these types of deposits often form in clusters. The Deposit is located at low elevations (150 m above sea level) close to infrastructure, 10 km from the Bronson Creek Airstrip, 27 km from an all-weather road and 33 km from a 195 MW power line.

In December 2018, a National Instrument 43-101 compliant technical report (the "Technical Report") was filed on SEDAR containing the following pit constrained Inferred Resource estimate prepared by Dr. A. Armitage, an independent Qualified Person as defined by NI 43-101:

<table>
<tr><th colspan="8">Table 1: Rock & Roll Inferred Mineral Resource Estimate, August 3rd, 2018
(Cut-off Grade 0.5 g/t AuEq)</th></tr>
<tr><th colspan="2">Resource</th><th colspan="5">Grade</th><th>AuEq</th></tr>
<tr><td rowspan="3">Inferred</td><td rowspan="2">2,015,000 Tonnes</td><td>Au (g/t)</td><td>Ag (g/t)</td><td>Cu (%)</td><td>Pb (%)</td><td>Zn (%)</td><td>(g/t)</td></tr>
<tr><td>0.71</td><td>87.1</td><td>0.23</td><td>0.23</td><td>0.98</td><td>2.63</td></tr>
<tr><td>Contained Metal</td><td>46,000 Ozs</td><td>5,643,000 Ozs</td><td>10,246,000 Lbs</td><td>10,180,000 Lbs</td><td>43,503,000 Lbs</td><td>170,000 Ozs</td></tr>
</table>

**Mineral resources are reported at a base case cut-off grade of 0.5 g/t gold equivalent (AuEq) considering metal prices in USD of $1,250.00/oz Au, $17.00/oz Ag, $3.00/lb Cu, $1.00/lb Pb and $1.20/lb Zn, and assuming metal recoveries of 95% for zinc, 80% for lead, 90% for copper, 85% for silver and 80% for gold or 85% for AuEq. Metallurgical recoveries will be adjusted with future metallurgical testing. AuEq = (Au g/t * 0.8) + (Ag g/t * 0.012) + (Cu% * 1.48) + (Pb% * 0.44) + (Zn% * 0.63).*

The reporting of the updated Mineral Resource Estimate complies with all current disclosure requirements for mineral resources set out in the National Instrument 43-101 *Standards of Disclosure for Mineral Projects*. The classification of the revised mineral resource is consistent with current CIM Definition Standards for Mineral Resources and Mineral Reserves (2014). Using a cut-off grade of 0.50 g/t AuEq, Armitage estimates that the Rock & Roll deposit contains 2.02 million tonnes of 0.71 g/t Au, 87.1 g/t Ag, 0.23% Cu, 0.23% Pb, and 0.98% Zn for a contained total of 46,000 oz gold, 5,643,000 oz silver, 10.2 million pounds ("Mlb") copper, 10.2 Mlb lead and 43.5 Mlb zinc. Mineral Resources, which are not Mineral Reserves, do not have demonstrated economic viability.

Corporate Outlook

The Property's location in BC's Golden Triangle offers an exciting, historic region for exploration and mining development. According to the 2018 BC Mineral and Coal Exploration Survey (the most recently released survey), completed jointly by the Government of British Columbia, the Association for Mineral Exploration, and Ernst and Young LLP, $165 million was spent on mineral exploration in the Golden Triangle in 2018, representing 50% of all exploration expenditures in B.C. Management views the following as key factors contributing to its optimistic outlook:

- Positive drilling results from 2019 (the Company’s first year of drilling on the Property) showed opportunities to potentially expand the Black Dog Deposit and discover new zones of mineralization, beyond those outlined from historical drilling results on the Property;

- With a BC-based exploration property, accessibility is not a key issue during this period of global travel restrictions, and the Company is also able to utilize Canadian government incentives and programs, such as flow-through shares which provide certain exploration tax credits. This reduces accessibility and financing risks relative to foreign properties;

- The spot price of silver and gold remain well above their past five-year trading ranges, despite recent price declines over the past three months;

- The Company raised $1.8 million in two private placements during the period ended September 30, 2020;

- Resource markets have stabilized after the initial market impacts from the pandemic created high volatility in global markets. Very recently, senior and blue-chip equities have reached record highs while the CSE index is up 48% since January 1, 2020 to the date of this report. Trading volumes have increased and exploration financings in the Golden Triangle sector have also increased compared to last year.

- Many of the initial post-public shareholder positions continue to be held, reflecting those shareholders' willingness to allow the Company the time needed to work towards meeting longer-term objectives.

For all these reasons, management remains optimistic about the Company's foreseeable future.

Management believes that moving forward, it will be able to raise the financing needed to meet its working capital needs and exploration objectives for next summer. The Company has utilized third-party North American and European market awareness campaigns to complement its own social media channels on Instagram, Facebook and Twitter, and in that regard, expects these advertising campaigns will continue to increase overall market awareness and market liquidity.

The Rock & Roll Property

The Property's 40 wholly-owned contiguous mineral claims total 22,699 Ha, centered at 50° 43' north latitude and 131° 12' west longitude. The Property is accessed from the AltaGas Hydroelectric Facility road located 25 km up the Iskut River Valley northwest of Stewart, BC. Access is by helicopter, as no roads yet exist on the Property. However, a road being planned by third parties will extend to the Bronson Mining Camp, just 7 km from the Property. The area has seen intermittent exploration going back several decades. Most of the prior work on the Property was done during 1988 - 1991 including 103 drill holes, which led to the discovery of the Black Dog Deposit, for which a current National Instrument 43-101 compliant resource estimate has been filed.

Costs incurred on the Property are capitalized under exploration and evaluation assets and as of September 30, 2020 total costs of $2.75 million have been spent to date by Etruscus on exploration, before recoveries and tax credits. In October, Company crews returned from field exploration and further work on the Property is unlikely until snowmelt in April.

Acquisition history

The initial 14 claims acquired from Equity are subject to a 2% net smelter return ("NSR") royalty, held by a group of 6 parties (the "Royalty Holders"). The Company received an option to purchase one-half of the 2% NSR ("NSR Buyout Option") whereby a future payment of $2,000,000 would be made to the Royalty Holders within 30 days of the commencement of commercial production or December 31, 2030, whichever comes earlier. The NSR Buyout Option was granted by the issuance of 300,000 common shares (issued at a fair value of $75,000) to the group of Royalty Holders within three days of the listing of the Company's shares for trading on the CSE Exchange.

In 2019, additional staking to the north and northwest of the initial group of claims brought the contiguous Property land package to 21,955 Ha. This tripled the Rock and Roll land package and has increased the potential for a large-scale VMS system to be found on the Property. Most recently, an additional 744 Ha were staked, for a total Property size of 22,699 Ha. Due to the favorable Stuhini and Hazelton group rocks found across the Property, potential remains highly prospective for a number of other common ore deposits found in the Golden Triangle such as porphyry deposits, shear hosted gold deposits and magmatic nickel sulfide deposits. This high, mountainous terrain has seen limited geological work and remains highly prospective due to the rapid retreat of the Hoodoo and Twin Glaciers.

Property Geology

The Black Dog Deposit is a VMS deposit that displays similarities to other precious metal-rich deposits such as Eskay Creek, Greens Creek, and other deposits in the Cordillera. VMS deposits are syn-volcanic accumulations of sulphide minerals that occur in geological environments characterized by submarine volcanic and sedimentary rocks. The VMS deposits are commonly spatially related to syn-volcanic faults, paleotopographic depressions, rhyolite domes, caldera rims and sub-volcanic intrusions, suggesting a genetic link to volcanic processes (Lydon, 1990).

Specifically, the Property hosts an Au-Ag-Cu-Pb-Zn deposit, partially delineated by 103 historic drill holes totalling 13,155m, all by previous operators. The deposit comprises multiple massive sulphide lenses containing pyrrhotite, pyrite, galena, chalcopyrite and sphalerite and has a surface projection of 600m by 150m. Mineralization is hosted by fine-grained carbonaceous sedimentary rocks representing a basin within a package of volcanic and sedimentary rocks that have been intruded by voluminous mafic to intermediate dykes. The Black Dog Zone fits in with a broad group of submarine, volcanic associated Au-Ag-Cu-Pb-Zn massive sulphide deposits. A secondary zone called the SRV Zone, outside of the NI 43-101 pit design, shows similar geology and mineralization to the Black Dog Zone. Age dating completed recently by the B.C. Geological Survey has designated the Black Dog mineralizing event to an approximate age of 210 million years, which is correlative with the historic Granduc mine located 78 km southeast (Mihalynuk, 2018).

Exploration – 2020

Phase 1:

The Company launched its exploration season on July 27, 2020 with Phase 1 focusing on follow up of all of our exploration targets identified during the off-season. These targets were generated from data gathered in the 2019 field program as well as reinterpretation of historical data. The targets were systematically visited with an effort made to improve the geological mapping and take geochemical samples where appropriate. A British Columbia Geological Survey mapping specialist with experience in the region was hired to assist with this objective and help the exploration team focus on the most prospective geological terrains.

A VTEM© Survey (the "Survey") was also conducted at this time across the majority of the Company's mineral claim area. Although the preliminary data generated was immediately made available to the field team, to this date certain final data is still outstanding. The 3 goals of this survey were:

1. To enhance conductivity data around the Black Dog Deposit and the recently discovered "Wall" target to significantly expand depth and size potential of the Deposit;
2. To refine geochemical and geophysical anomalies located at the Rob, Skarn and other areas, as they may represent other mineralizing systems near the Black Dog Deposit; and
3. To cover 137 sq. km of previously untested, unexplored prospective terrain near receding glaciers on both the extended Rock & Roll claims and the Sugar claims.

During Phase 1, the Company was able to;

- Collect 54 rock samples across a variety of different targets focusing primarily on the underexplored extended claims;
- Update geological maps at a scale of 1:5,000, or 1:10,000 across approximately 100 square km's;

- Collect 132 biogeochemical (bark) samples focusing on areas of previous geochemical interest as well as in underexplored forested terrain;
- Complete 1,159 line km's of airborne geophysical (VTEM©) survey across the historic Deposit as well as significant portions of the extended terrain; and
- Successfully refine drill targets near the historic Deposit for follow up drilling during Phase 2.

Phase 2:

The second phase of exploration started on September 1st and continued until October 9th with a focus of completing a diamond drill program on a number of targets outlined in Phase 1. These targets came primarily from geophysical anomalies although their priority was upgraded if they were coincident with geochemical anomalies. Structural interpretation at the Black Dog target also helped refine the drill targeting on the edge of the Black Dog Deposit.

The Company was successful in drilling 1,975 meters from 4 drill setups that included drilling for depth potential at the Black Dog Deposit, testing geophysical conductors at "The Wall" and "Brown Sugar" targets, and testing porphyry potential at the "Stardust" target.

Drilling Details:

The Black Dog drill hole (RR20-09) was drilled on the southeastern edge of the defined resource targeting depth potential below the Black Dog Deposit. The heavily foliated rocks have demonstrated overturned bedding and possible fold repetitions occurring on the outcrop and drill core scale. This hole was planned to test below 200 meters where almost all the historic drilling had been terminated. Of the 103 historic drill holes, almost all of them stopped well before 200 meters depth.

The Brown Sugar drill hole (RR20-10) was designed to test a large conductor residing along strike underneath Lost Lake to the southeast of the Black Dog Deposit. This anomaly was first defined by the 2009 Aerotem survey but was further refined by the preliminary VTEM data available to Etruscus at the time of the drill collaring. Geophysical modeling predicted a conductor occurring at 120 meters depth and possibly aligning with a more southernly swinging geophysical trend.

The Stardust target (RR20-11) was upgraded in priority due to a combination of historic and current data. A large magnetic high 2 x 2 km is partially coincident with a biogeochemical anomaly of copper, arsenic and gold. The closest drill hole to this target also demonstrated unique alteration patterns suggesting a possible mineralizing system nearby. Significantly, there was also a historic chargeability anomaly outlined around the magnetic high as is often seen in large porphyry targets due to the quartz, sericite, pyrite alteration halo that would be expected to rim these systems.

The final drill hole of the program tested The Wall target (RR20-12). This target offers very large potential in an area that has previously been overlooked due to an outdated geological model. The Wall target is a large conductive anomaly residing at 300 meters depth and occurs down dip from the main Black Dog Deposit. The conductive nature and the alignment with the favorable Black Dog stratigraphy made this a high-priority target for 2020.

Due to a high volume of drilling and sampling in the Golden Triangle this year in a COVID-19 shortened season, assay results are being processed slower than in recent years. The exploration team is waiting on assay results and will look to interpret the results as they come in.

Table 2- 2020 Drill hole summary:

Hole ID	Name	Easting	Northing	Elevation	Azimuth	Dip	Length (m)
RR20-09	Black Dog	363326	6288063	145	45	-60	400
RR20-10	Brown Sugar	363184	6287010	113	55	-45	538
RR20-11	Stardust	364584	6286722	151	45	-60	454
RR20-12	The Wall	362692	6287351	111	45	-75	583
							Total (M) 1,975

A total of 5 drill sites were cleared and 5 drill pads / helicopter pads were built although one location was not utilized. The exploration team was successful in reclaiming and reusing lumber from 4 previous sites and left 3 drill sites intact for expected use again next year.

Exploration – 2019 summary:

The 2019 drilling program was designed to focus on the discovery of additional massive sulphide resources outside the currently defined Black Dog Deposit. Targeting during this program was the culmination of a multi-phase exploration program and was a technical success as the Company expanded the mineralized system to a total length of 2.7 km, more than 4 times the original strike length. These results continue to support the targeting of silver and gold-enriched VMS systems on the western flank of the Eskay Camp near the past-producing high-grade Snip gold mine.

Key highlights of the drilling program:

- 2,622 meters were drilled in 8 different holes from 5 different site locations;
- Intersected a sulphide mineralized horizon in a 1.75 km step-out to the northwest of the precious metal-enriched Black Dog system;
- Intercepted a mineralized horizon in a 400m step-out to the southeast;
- A lengthy intercept of rhyolites that are commonly related to VMS systems, including nearby Eskay Creek, was intersected in RR19-03; and
- Drill hole RR19-03 also demonstrated the conformable nature of the extensive carbonate terrain west of the Black Dog Deposit, opening this previously underexplored area to be tested for VMS mineralization.

Sugar Property

The group of 11 mineral claims, also in the Liard Mining Division, is known as the Sugar Property ("Sugar") and is located approximately 5 km northwest of the Rock & Roll Property and 25 km southwest of the Galore Creek Deposit, a large copper-gold-silver deposit currently in pre-feasibility. No drilling has ever been done on the Sugar claims. The decision to stake the claims during the year ended March 31, 2020 followed an extensive review and technical analysis of historical data available, including past Assessment Reports and publicly available B.C. Minfiles, amongst other data. The majority of the staking was completed in May 2019 although an additional claim named "The Hammer" was adjoined in February

2020. The Sugar Property encompasses 5,181 Ha of mineral claims at a cost of $9,566, capitalized to exploration and evaluation assets as an acquisition cost.

Past mapping on the property has outlined multiple Texas Creek intrusive units that are commonly associated with important copper and/or gold deposits within the Golden Triangle including the Red Chris Mine, KSM copper-gold deposit and Pretium's Brucejack (Valley of the Kings) gold deposit.

Sugar includes several types of copper and copper/zinc occurrences which are mainly associated with skarns and/or quartz veins/stockworks. A 4 km long mineralized skarn trend, a nearby, copper-bearing quartz vein stockworks and a prominent gossan have been located on Sugar. Historic rock samples have returned numerous results greater than 1% copper and 5% Zinc.

2020 Exploration

During the Phase 1 exploration program a total of 5 days, with 4 geologists, was spent mapping and sampling across the Sugar Property to help outline the geological potential and define the multiple mineralizing systems. Geological mapping was complete at 1:10,000 scale across large areas of the property and 37 rock samples were taken. This remote terrain again proved to be well endowed in copper with multiple rock samples showing high percentages of chalcopyrite. New as well as old showings were further investigated with skarn type mineralization being the dominant system.

Geologically, the Sugar area is thought to reside in Paleozoic rocks of the Stikine assemblage as well as Triassic rocks of the mid to lower Stuhini Group. This assemblage contains many limestone lenses and calcareous horizons favorable for skarn type mineralization. Assays from the rock samples are still pending.

The Hammer area that was staked in 2020 demonstrated high potential to host a mineralizing system with historic copper grades being confirmed with visual inspections this year. Identification of a 100m x 100m gossan with strong magnetite, pyrrhotite and chalcopyrite mineralization was identified in an area that has seen significant glacier retreat. The area has not had geological advancement in 30 years as the location of the showing is on a near vertical face. Recent VTEM flown over the area could help in targeting potential magnetic highs for further expansion.

Based on the findings of past and present work, Etruscus is looking to tie together the 8 km copper trend that exists across the length of the Sugar Property. The ongoing goal would be to identify the source of the hydrothermal mineralization along this trend and outline drill targets to test depth potential for large scale porphyry targets. Also, further prospecting in recently deglaciated terrain will be helpful in adding value to this property.

2019 Exploration

Exploration on the Sugar Property in 2019 was limited to one day of reconnaissance mapping and sampling soon after acquiring the property. Sixteen rock samples were collected by a team of 4 geologists. These samples were focused in areas of known mineralization. Carbonaceous units were identified in the areas of skarn mineralization as well as large intrusive bodies near some of the major quartz veining. Rock sample highlights included 3.63% zinc and 0.12% copper near a skarn showing and 0.82% copper in a newly identified quartz vein.

Community Relations

In February 2020, the Company renewed an annual Communications Agreement with the Tahltan Central Government ("TCG"), the administrative body of the Tahltan Nation, located in northwest British Columbia, whose traditional territory encompasses both the Rock & Roll and Sugar properties. The TCG protects Tahltan Aboriginal rights and title, the ecosystems and natural resources of the Tahltan traditional territory by managing sustainable economic development and supporting the cultural wellness of the Tahltan community. The agreement establishes a solid framework and collaborative working arrangement between the parties, based on open dialogue, transparent communications and mutual co-operation with regards to the company's exploration activities on its properties. In addition, the agreement offers opportunities for employment, cultural, economic and educational support for Tahltan members. For more information about the TCG, visit www.tahltan.org.

Also in February 2020, the Company executed an Opportunity Sharing Agreement with the TCG, to provide further commercial opportunities for Tahltans and their businesses. The Company also supports certain Tahltan community events, youth causes, exploration symposiums and job fairs in local communities near the Company's mineral properties, although this year, due to COVID-19, most of these events were cancelled.

The Company respects the strict COVID-19 protocols issued by the TCG which are updated regularly to their communities and to their exploration partners. We continue our regular dialogue with Tahltan representatives in regard to our exploration activities and to continue our efforts to provide opportunities for Tahltans and their businesses.

QA/QC and Analytical Procedures

The Company has adopted a rigorous quality assurance and quality control ("QA/QC") program to ensure best practices in sampling both diamond drill core and surface rock chip samples of approximately 1 kg in weight. For 2020, the Company's samples and drill core are being assayed by MSALABS which has facilities in Terrance and Langley, BC. and is independent of the Company. Core is flown from drill sites to the core shack facility where it was sampled at 1-3m intervals. The samples were then half cut with one half sent to the lab via reputable expeditor. Intervals of half NQ drill core were crushed to 70% pass 2mm fraction, and then a 250g split was pulverized to better than 85% passed a 75-micros screen. The geochemical analyses were performed by MSALABS using multi-element aqua-regia digestion ICP-MS package (IMS-111). Gold was analyzed by fire assay technique FAS-114. Higher gold grades (>3 g/t) were analyzed by fire assay. MSALABS is a provider of geochemical laboratory services for the exploration and mining industries is an ISO 17025 (Testing and Calibration) and ISO 9001 (Quality Management System) accredited laboratory independent of the Company. In addition to the lab's internal QA/QC program, the Company inserted 10% lab certified standards, blanks and field duplicates into the overall sampling stream.

Selected Quarterly Financial Information

	Three Months Ended September 30, 2020	Three Months Ended June 30, 2020	Three Months Ended March 31, 2020	Three Months Ended December 31, 2019
Total assets	$ 3,681,184	$ 1,938,183	$ 1,866,852	$ 1,930,204
Total liabilities	(753,550)	(210,255)	(189,249)	(141,555)
Shareholders' equity	2,927,634	1,727,928	1,677,603	1,788,649
Major operating expenses:				
Advertising, marketing, promotion	164,124	173,586	22,717	22,369
Consulting fees	85,330	50,438	51,059	44,500
Professional fees	31,577	316	16,250	5,252
Share-based compensation	120,843	41,516	7,504	-
Regulatory and transfer agent	6,928	16,744	5,428	5,418
Net income (loss)	(352,947)	(296,916)	(117,965)	(95,089)
Earnings (loss) per share- basic and diluted	(0.01)	(0.01)	(0.00)	(0.00)

	Three Months Ended September 30, 2019	Three Months Ended June 30, 2019	Three Months Ended March 31, 2019	Three Months Ended December 31, 2018
Total assets	$ 2,016,280	$ 1,522,049	$ 1,625,640	$ 1,642,170
Total liabilities	(589,667)	(24,173)	(56,564)	(63,926)
Shareholders' equity	1,426,613	1,497,876	1,569,076	1,578,244
Major operating expenses:				
Advertising, marketing, promotion	126	2,090	2,592	414
Consulting fees	54,450	62,000	54,000	45,000
Professional fees	-	-	12,363	31,028
Regulatory and transfer agent	-	-	430,585	-
Share-based compensation	4,219	2,251	10,797	10,752
Net income (loss)	(71,263)	(71,200)	(514,753)	(88,630)
Earnings (loss) per share- basic and diluted	(0.00)	(0.00)	(0.03)	(0.00)

Results of Quarterly Operations

In the following discussion concerning the results of operations, as the fiscal year end is March 31, the quarterly periods are referenced as follows:

Three-month period ended September 30, 2020: Q2 2021
Three-month period ended June 30, 2020: Q1 2021
Three-month period ended March 31, 2020: Q4 2020
Three-month period ended December 31, 2019: Q3 2020
Three-month period ended September 30, 2019: Q2 2020

Six months ended September 30, 2020 compared to six months ended September 30, 2019:

For the current six-month period, the Company incurred a net loss of $649,863 (2019 - $142,463), composed of advertising, marketing and promotion of $337,710 (2019 - $2,216), consulting fees of $135,768 (2019 - $116,450), share-based compensation of $162,359 (2019 - $nil) and Other income on settlement of flow-through share premium liability of $83,155 (2019 - $nil). These items comprise 85% (2019 – 83%) of the net loss for the period.

Total operating expenses in the period were $731,738 (2019 - $151,563), an increase of $580,175. Key increases noted are share-based compensation (up $162,359), advertising marketing and promotion (up $335,494) and professional fees (up $31,893) which together account for 72% of the increase. In addition, office expenses rose $9,405, consulting fees rose $19,318, and regulatory and transfer agent fees rose $17,202, which together account for 8% of the increase in operating costs.

The largest expense in the current period was advertising, marketing and promotion, totalling $337,710. Largely as a result of the impacts of COVID-19 on traditional fundraising and person-to-person engagements, the Company engaged several third-party entities to provide digital advertising, video conferencing and market awareness services to recirculate press releases and other Company information. The objective of these activities was to expand the Company's public exposure and to increase liquidity in the market. The entities that performed the services were based in Canada, the US and Germany. Specifically, the Company contracted with a Toronto-based specialist in digital video marketing to create awareness of the Company primarily in the Canadian capital markets through video interviews, re-publication on social media of Company press releases and other publicly available information and to assist with managing the Company's social media channels. Locally, a Vancouver company was hired to distribute publicly available project and corporate information to its various marketing and digital channels in North America. A German marketing firm was engaged to translate and circulate company materials to specific investment sectors in Germany and Europe.

Included in advertising, marketing and promotion was $232,433 incurred for branding and awareness campaigns in Germany, given that it listed the Company's shares for trading on the Frankfurt Stock Exchange in May 2020 and needed various introductions and targeted dissemination of Company news to put the Company on the "radar" of European resource investors. The Company spent $91,384 on Canadian web-based advertising and marketing, in Vancouver and in Toronto, and US$10,000 on generating awareness in the US markets. All these efforts helped with increasing the Company's overall web-based traffic and succeeded in introducing subscribers to the Company's private placements. Management recognizes that such expenditures are not expected to recur to the same extent in the future.

In September 2020, the Company engaged the services of Conduit Capital Advisors ("Conduit") to provide investor relations services. Conduit is an investor relations and corporate advisory business founded by Derek Wood. Mr. Wood has been involved in the Canadian Securities Industry for decades and has an established network of professional and retail market participants with an interest in small cap opportunities. Conduit will initiate contact with its network of market participants, as well as current stakeholders, and other members of the financial community to introduce the Company as a compelling investment opportunity and keep them apprised of ongoing company developments.

The agreement is for a term of 12 months at a rate of $5,000 per month, plus 200,000 stock options, which were granted at an exercise price of $0.36 per share for five years and vest over a one-year period.

In September 2020, the Company also retained Lakeshore Securities Inc. ("Lakeshore") to provide market making services to the Company in compliance with the policies and guidelines of the CSE and other applicable legislation. Lakeshore will trade shares of the Company on the CSE with the objective of maintaining a reasonable market and improving the liquidity of its common shares. There are no performance factors contained in the agreement and Lakeshore Securities will not receive shares or options as compensation.

During the six-month period ended September 30, 2020, the Company raised $1.8 million (2019 - $nil) from private placements. It spent $830,149 (2019 - $729,774) on exploration and it spent $615,585 (2019 - $173,222) on operations. Most of the operations disbursements during the period were for operating costs which were $569,379 (2019 - $151,563), not including share-based compensation. For the six-month period ended September 30, 2020, cash and cash equivalents increased $341,132 (2019 – decrease of $906,889).

Three months ended September 30, 2020 compared to three months ended September 30, 2019:

The Company had a net loss of $352,947 (Q2 2020 - $71,263) in the second quarter of the fiscal year. The net loss is composed of operating expenses of $431,331 (Q2 2020 - $73,783), amortization of discount of $688 (Q2 2020 - $1,024), other income on settlement of flow-through share premium liability of $78,889 (Q2 2020 - $Nil) and interest income of $183 (Q2 2020 - $3,544). Other income on settlement of flow-through share premium liability represents the proportion of amount of qualifying exploration expenses incurred relative to the total flow-through financing that was completed, as applied against the flow-through share premium liability. As a result of sufficient exploration work incurred in the current period ended September 30, 2020, the flow-through premium liability was extinguished and no further qualifying exploration expenditures remain to be incurred with respect to flow-through private placements completed by the Company in the past year, including December 2019 and September 2020 flow-through private placements that raised $127,840 and $267,550 respectively.

Operating expenses include share-based compensation, the amount of which is derived from the Black-Scholes option pricing model as a result of the granting of stock options, which totalled $120,843 (Q2 2020 - $Nil) in the quarter. The calculated amount resulted from the grant on September 21, 2020 of 475,000 stock options to consultants, exercisable at $0.36 per share for five years and which vested upon grant. An additional 200,000 stock options were granted for investor relations services and will vest over a one-year period, with share-based compensation to be recognized over the vesting period. The following table highlights the range of assumptions used in calculating share-based compensation during the six months ended September 30, 2020:

	Period ended September 30, 2020	Year ended March 31, 2020
Weighted average assumptions:		
Risk-free interest rate	0.28% - 0.35%	1.1%
Expected dividend yield	-	-
Expected option life (years)	3 - 5	5
Expected Stock price volatility	93.5% - 112.6%	89.5%
Weighted average share price at grant date	$0.25 - $0.39	$ 0.25
Weighted average fair value at grant date	$0.19 - $ 0.25	$ 0.25
Expected forfeiture rate	-	-

Operating expenses, not including share-based compensation, were $310,488 (Q2 2020 - $73,783) during the quarter. The largest categories of expenses were advertising, marketing and promotion of $164,124 (Q2 2020 - $126), consulting fees of $85,330 (Q2 2020 - $54,450) and professional fees of $31,577 (Q2 2020 - $Nil), together comprising 91% (Q2 2020 - 74%) of operating costs.

As explained above in "*Six months ended September 30, 2020 compared to six months ended September 30, 2019:*", in 2020 the Company engaged several third-party entities to provide digital advertising, video conferencing and market awareness services to recirculate press releases and other Company information. with the objective of expanding the Company's public exposure and increasing liquidity in the market. These activities were considered appropriate for generating corporate exposures and to replace traditional face-to-face and in-meeting presentations which are not advisable under COVID-19 protocols. The global pandemic had begun in March 2020, when exploration companies tend to begin their seasonal fundraising efforts and plan their exploration programs. The initial government responses and lockdowns caused an immediate economic stagnation resulting in a lack of risk capital for investment, forcing many early stage exploration companies to delay their fundraising efforts. Following that, the Company's shares were listed on the Frankfurt Stock Exchange (May 2020), yet the Company had no visibility in the European markets. As a result of all these factors, the Company engaged these third-party companies to meet its goals. The Company incurred roughly the same advertising, marketing and promotion costs in each of the first and second quarters of the current fiscal year. These expenditures are not expected to be incurred at these levels in 2021.

Consulting fees to management in the quarter remained at the same rates as the prior year. However, this year the Company engaged a business advisory consultant to assist with the review of business opportunity proposals and to support managing the Company's website and social media channels, with the term ending in September 2020. As a result, total consulting fees rose to $85,330 in the quarter compared to $54,450 in 2019.

Professional fees rose to $31,577 from Nil in the comparative period. The Company has begun filing for a US OTC listing, and has paid fees of $28,414 at September 30, 2020 for US advisory and representative purposes. The remaining fees were paid for corporate tax preparations and general legal purposes.

In the current quarter, the Company spent net cash of $356,201 (Q2 2020 - $64,736) on operations and $821,057 (Q2 2020 - $572,020) on exploration. A private placement was completed, raising $1,482,516 (Q2 2020 - $Nil) net of issuance costs. Higher disbursements in the current period on operations are primarily reflected by current period operating costs of $310,488 and a $36,229 increase in prepaid expenses and deposits. Higher expenditures on exploration in the current period ended September 30, 2020 reflect that $221,071 (Q2 2020 - $Nil) was spent on a VTEM property survey, with all other fieldwork and drilling totalling $599,986, compared to $572,020 in last year's comparative period.

Three months ended September 30, 2020 compared to three months ended June 30, 2020:

The Company had a net loss in the current quarter of $352,947 (Q1 2021 - $296,916), composed of operating costs of $431,331 (Q1 2021 - $300,407) and total other income (net) of $78,384 (Q1 2021 - $3,491). Most of the other income was "other income on settlement of flow-through share premium liability of $78,889 (Q1 2021 - $4,266). Operating costs include share-based compensation of $120,843 (Q1 2021 - $41,516) which is a calculated entry based on the estimated fair value of stock options that are vested during the period. In both periods, the Company granted stock options using the inputs as shown in the table above. Other operating costs totalled $310,488 (Q1 2021 - $258,891), an increase of $51,597. Of note, consulting fees rose $34,892, advertising marketing and promotion declined $9,462, professional fees rose $31,261 and regulatory and transfer agent fees declined $9,816. As explained above, the increase in consulting fees relates to the engagement of a business advisory consultant in the current period, the increase in professional fees relates to US OTC listing preparations, and the decrease in regulatory and transfer agent fees reflects the Frankfurt Stock Exchange listing fees that were incurred in the prior quarter.

Office and general expenses rose from $8,383 to $10,937 and includes office supplies, insurance, postage and courier, communications, press release dissemination, website and IT maintenance, printing, dues, fees and subscriptions and other general expenses.

The Company has 2 individuals working full-time and 4 working on a part-time, continuing basis, which includes management, administration, and exploration personnel. These roles are expected to continue for the foreseeable future, with general responsibilities and business functions to remain materially the same over the ensuing fiscal periods. Going forward, we expect total recurring operating costs to average $115,000 per quarter, and may range from $85,000 to $125,000 per quarter, depending on the timing of certain annual expenses such as audit fees, annual listing and filing fees and the occasional engagement of other consultants for short periods of time. Our previous MD&A for the period ended June 30, 2020 estimated continuing costs of $90,000 per quarter. The increase of $25,000 this quarter is to account for additional costs related to the Frankfurt and OTC listings and to allow for some continuing level of advertising and marketing costs. Management considers these amounts to be appropriate for its stage of development.

Leases:

On July 1, 2019, the Company entered into a three-year office premises sublease agreement. The terms of the sublease follow those of the head lease. The lessor is Metallis Resources Inc. (“MTS”), a public company related by 2 common directors and a common officer. The sublease is for ½ of the space leased by MTS under a head lease. Fixed monthly sublease payments are $1,688 per month. The lease liability was measured at the present value of the remaining lease payments, discounted at the Company’s incremental borrowing rate of 8%, the same discount rate as that used by MTS under the head lease. At the inception of the sublease, the Company recognized a lease liability of $54,210 and a corresponding ROU asset value of the same amount. Leasehold improvement costs of $6,617 were also recorded as ROU assets.

The Company has no other material equipment or service leases for the period ended September 30, 2020.

The following table shows the summary of lease payments and calculation of lease liability:

Lease liability:

Operating lease commitment as at July 1, 2019	$ 60,750
Discount using incremental borrowing rate	(6,540)
Lease liability recognized as at July 1, 2019	54,210
Lease payments	(15,188)
Lease interest	2,826
Balance as at March 31, 2020	41,848
Lease payments	(10,125)
Lease interest /amortization of discount	1,463
Balance as at September 30, 2020	$ 33,186

Current portion	$ 18,395
Long-term portion	14,791
Balance as at September 30, 2020	$ 33,186

At September 30, 2020, future payments required under the Company's office lease are as follows:

Year ended March 31, 2021	$ 10,125
Year ended March 31, 2022	20,250
Year ended March 31, 2023	5,063
Total	$ 35,438

Use of judgements and estimates:

In preparing the Company's financial statements, management makes judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Significant assumptions about the future and other sources of estimation uncertainty that management has made could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from the expected results, based on the assumptions made. The effect of a change in an accounting estimate is recognized prospectively by including it in profit or loss in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty for the period ended September 30, 2020 were the same as those described in the annual financial statements for the year ended March 31, 2020.

The key assumptions, judgements and estimates made by management include but are not limited to the following:

a) The carrying value of the investment in exploration and evaluation costs and the recoverability of the carrying value which is included in the statement of financial position;

b) The Company has taken steps to verify title to exploration and evaluation assets in which it has an interest, but these procedures do not guarantee the Company’s title. Properties may be subject to prior agreements or transfers and title may be affected by undetected defects;

c) Significant judgment is required in determining the provision for income taxes. During the ordinary course of business, there are transactions and calculations for which the ultimate tax determination is uncertain. As a result, the Company recognizes tax liabilities based on estimates of whether additional taxes and interest will be due. These tax liabilities are recognized when, despite the Company's belief that its tax return positions are supportable, the Company believes that certain positions are likely to be challenged and may not be fully sustained upon review by tax authorities. This assessment relies on estimates and assumptions and may involve a series of complex judgments about future events. To the extent that the final tax outcome of these matters is different than the amounts recorded, such differences will impact income tax expense in the period in which such determination is made;

d) The inputs used in accounting for share-based compensation expense in the statement of operations and comprehensive loss are estimates, including share price volatility, expected term and risk-free interest rate, and such similar inputs used in accounting for the valuation of finders’ warrants;

e) The valuation of flow-through share premium liability, while following IFRS methodology, is an estimate;

f) The significant judgements, estimates and assumptions made by management as they relate to IFRS 16 - *Leases*, primarily include evaluating the appropriate discount rate to use to discount the lease liability, the determination of the lease term when the lease contains an extension option, and assessing if the Company is reasonably certain that it would exercise an extension option; and such judgements, estimates and assumptions affect the present value of the lease liabilities, the value of the right-of-use assets, and the amounts recognized in profit and loss including depreciation, rent expense and finance expense; and

g) The assumption that the Company is a going concern and will continue operating for the foreseeable future, is a judgment.

Liquidity and capital management

The Company has no commercial operations or source of revenue, no long-term debt other than a lease liability, and no externally imposed capital requirements other than those specified under continuous listing requirements. The Company's capital is, therefore, its issued share capital. The capital for operations and property exploration has and is expected to continue to come from the issuance of common shares or units for the foreseeable future. The Company's objectives when managing its capital are to fund critical exploration work, meet its on-going liabilities and maintain creditworthiness, continue as a going concern, and to ultimately maximize returns for shareholders over the long term.

Managing liquidity risk means having sufficient liquidity to meet liabilities when they become due. The Company's working capital at September 30, 2020 was $85,833, mainly composed of cash of $387,093, the accrual of the 2019 BC METC tax credit receivable of $270,908, GST receivables of $74,341 and accounts payable of $684,417. The BC METC tax credit was received subsequent to September 30, 2020.

As of the date of this MD&A, the Company has a working capital deficiency of $162,000 as follows:

Current working capital:		(000's)
Cash and cash equivalents	$	332
Receivables		82
Accounts payable and accrued liabilities		(490)
Due to related parties		(68)
Lease liability		(18)
Total net working capital	$	(162)

This calculation has been prepared by management. Additional capital will be required to fund the Company's operations into 2021 and the 2021 exploration programs.

Disclosure of Outstanding Security Data

The total number of common shares outstanding as of the date of this report is 26,643,056 shares, (September 30, 2020 – 26,608,056 shares), with 35,639,922 fully diluted shares outstanding.

Share transactions subsequent to September 30, 2020:

On October 6, 2020, a consultant exercised 35,000 stock options at $0.25 per share for proceeds of $8,750.

Share transactions during the period ended September 30, 2020:

a) On September 15, 2020, the Company announced the closing of a non-brokered private placement raising a total of $1,499,550 in two tranches. The financing consisted of 3,520,000 non-flow-through units at a price of $0.35 per unit for proceeds of $1,232,000 and 594,555 flow-through units at a price of $0.45 per unit for proceeds of $267,550. Each non-flow-through unit consists of one common share and one common share purchase warrant exercisable at $0.50 per share for a period of 3 years. Each flow-through unit consists of one flow-through common share and one non-flow-through common share purchase warrant exercisable at $0.60 per share for a period of 3 years. No residual value was assigned to the warrant component of either the flow-through or non-flow-through units.

   The Company incurred total financing issuance costs of $41,023 comprised of filing fees of $3,812, finder's fees of $23,222 and 65,061 finder's warrants issued to arm's length parties, as permitted by securities law. The finders' warrants were valued at $13,989 following the Black Scholes pricing model and are exercisable at $0.45 per common share for a three (3) year period.

   All shares issued under the private placement are subject to a hold period of four months and one day from the date of issuance. Proceeds of the non-flow-through financing will be used for exploration and general working capital. The proceeds from the flow-through shares will be used to fund Canadian

Exploration Expenses (within the meaning of the *Income Tax Act* (Canada)) which shall qualify as "flow-through mining expenditures", for purposes of the *Income Tax Act* (Canada), related to the Company's Rock & Roll and Sugar properties in BC.

b) On July 29, 2020, a consultant exercised 40,000 stock options at $0.25 per share for proceeds of $10,000.

c) On July 15, 2020, 1,500,000 common shares were released from escrow.

d) On June 2, 2020, the Company completed a non-brokered private placement for gross proceeds of $306,250 by the issuance of 1,225,000 units at a price of $0.25 per unit, with each unit consisting of one common share and one common share purchase warrant with an exercise price of $0.40 per share for a period of two years. Total issuance costs of $525 were incurred. No residual value was assigned to the warrant component of the private placement.

Share transactions during the year ended March 31, 2020:

a) On December 27, 2019, the Company completed a private placement of 1,834,500 units, raising gross proceeds of $486,590, as follows:

i) The Company issued 1,435,000 units at a price of $0.25 per unit, raising $358,750. Each unit consists of one common share and ½ of one non-transferrable share purchase warrant with each full warrant exercisable at a price of $0.40 per share for a two-year period. Total issuance costs of $1,500 were incurred and no value was attributed to the warrants under the residual value method; and

ii) The Company also issued 399,500 flow-through units at a price of $0.32 per flow-through unit, raising $127,840. Each flow-through unit consists of one flow-through common share and ½ of one non-flow-through, non-transferrable share purchase warrant with each full warrant exercisable at a price of $0.50 per share for a two-year period. The Company recorded a flow-through premium liability of $27,965 as a deduction from share capital, being the difference between the amounts recognized in common shares and the amounts investors paid for the units. Total issuance costs of $585 were incurred and no value was attributed to the warrants under the residual value method.

b) On July 15, 2019, 1,500,000 common shares were released from escrow, leaving 7,500,000 shares remaining in escrow.

c) On January 15, 2020, 1,500,000 common shares were released from escrow, leaving 6,000,000 shares remaining in escrow.

Stock options:

In the current period, the Company granted the following stock options:

a) In May 2020, the Company granted 230,000 stock options to consultants, exercisable at $0.25 per share for a period of five years. The options vested upon grant. Share-based compensation of $41,516 was recorded.

b) In September 2020, the Company granted 675,000 stock options to consultants, exercisable at $0.36 per share for a period of five years, with 475,000 of the stock options vesting upon grant and 200,000 stock options, granted to the Company's Investor Relations provider, Conduit Capital Advisors, will vest over a one-year period. For the period ended September 30, 2020, stock-based compensation of $120,843 was recorded.

During the six-month period ended September 30, 2020 and the year ended March 31, 2020, the Company recognized share-based compensation for the purposes of valuing stock option grants and finders' warrants issued pursuant to private placements, based on the following ranges of weighted average assumptions:

	Period ended September 30, 2020	Year ended March 31, 2020
Weighted average assumptions:		
Risk-free interest rate	0.28% - 0.35%	1.1%
Expected dividend yield	-	-
Expected option life (years)	3 - 5	5
Expected Stock price volatility	93.5% - 112.6%	89.5%
Weighted average share price at grant date	$0.25 - $0.39	$ 0.25
Weighted average fair value at grant date	$0.19 - $ 0.25	$ 0.25
Expected forfeiture rate	-	-

At the date of this report, there are 2,525,000 stock options outstanding and exercisable as follows:

Expiry Date	Number of Outstanding Stock Options	Number of Vested Stock Options	Exercise Price ($)	Weighted average remaining contractual life (years)
January 15, 2024	1,250,000	1,250,000	0.25	3.29
January 21, 2024	260,000	260,000	0.25	3.31
March 15, 2024	50,000	50,000	0.28	3.46
February 27, 2025	60,000	60,000	0.25	4.41
May 25, 2025	230,000	230,000	0.36	4.65
September 25, 2025	675,000	475,000	0.36	4.99
Total outstanding options	2,525,000	2,325,000		3.89

Warrants:

There are 6,471,866 warrants outstanding as of the date of this report, unchanged from September 30, 2020 as follows:

Expiry Date	Number of Warrants outstanding	Exercise Price ($)
December 19, 2020	150,000	0.50
December 19, 2021	37,500	0.40
December 27, 2021	680,000	0.40
December 27, 2021	199,750	0.50
June 1, 2022	1,225,000	0.40
August 6, 2023	3,130,000	0.50
August 6, 2023	53,861	0.45
August 6, 2023	276,444	0.60
September 4, 2023	390,000	0.50
September 4, 2023	318,111	0.60
September 4, 2023	11,200	0.45
Total	6,471,866	

Directors, Officers and Management

The directors of the Company are Gordon Lam, Fiore Aliperti, Michael Sikich and Jason Leikam. The officers are Gordon Lam (CEO), Fiore Aliperti (Executive Chairman), Jon Lever (CFO) and Dave Webb (Vice-President of Exploration). There have been no changes to the Board or executive management during the period ended September 30, 2020.

The Company's Advisory Board consists of Lindsay Bottomer, David Dupre and Murray Jones. The MD&A issued by the Company for the prior year ended March 31, 2019 (pages 14-15), contains biographies of the advisory board members.

Transactions with Related Parties

The following related parties for the periods presented include directors and key management personnel, including those entities in which such individuals may hold positions that result in them having control or significant influence over the financial or operation policies of these entities:

a) Hatch 8 Consulting is a company controlled by the current Chief Executive Officer and director of the Company, and provides consulting services to the Company;

b) Lever Capital Corp. is a company controlled by the Chief Financial Officer and provides consulting services to the Company;

c) The Company's Corporate Secretary provided corporate secretarial, general administrative and bookkeeping services to the Company up to September 25, 2019, the date of her resignation;

d) Avanti Consulting Inc. is a company controlled by a director of the Company who acts as Executive Chairman of the Board, and provides consulting services to the Company;

e) DRW Geological Consultants Ltd. is a company controlled by the Company's Vice-President of Exploration and provides the Company with geological consulting services, the amounts of which are capitalized under exploration and evaluation assets; and

f) Metallis Resources Inc. ("MTS") is a company that has two directors and an officer in common with the Company.

Amounts due to related parties at September 30, 2020 is $43,822 (March 31, 2020 - $55,784), comprised of amounts owing to management and amounts owing to MTS as follows:

i) The aggregate value of key management compensation and outstanding balances relating to the above noted related parties are as follows:

		Transactions for the period ended September 30, 2020	Transactions for the year ended March 31, 2020	**Balance payable as at September 30, 2020**	Balance payable as at March 31, 2020
Short-term benefits:					
Hatch 8 Consulting	**(a)**	**$ 45,000**	$ 90,000	**$ 15,750**	$ 10,750
Lever Capital Corp.	**(b)**	**15,000**	30,000	**7,875**	15,750
Sameen Oates	**(c)**	**-**	15,000	**-**	-
Avanti Consulting Inc.	**(d)**	**15,000**	30,000	**10,500**	15,750
DRW Geological Consultants Ltd.	**(e)**	**24,000**	48,000	**4,200**	4,200
Total		**$ 99,000**	$ 213,000	**$ 38,325**	$ 46,450

ii) During the period ended September 30, 2020, the company entered into transactions with MTS as follows:

	Due to MTS as at March 31, 2020	Transactions during the period ended September 30, 2020	Amounts repaid	**Due to MTS as at September 30, 2020**
Rent incl. GST	$ 9,334	$ 18,666	$ (24,889)	**$ 3,111**
Office expenses incl. GST	-	3,717	(1,331)	**2,386**
Total	$ 9,334	$ 13,271	$ (9,334)	**$ 5,497**

Off Balance Sheet Arrangements

Aside from the aforementioned office premises leases, the Company has no other asset or equipment leases or other off-balance-sheet arrangements. Accordingly, as at September 30, 2020 the Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a material current or future effect on the results of operations or financial condition of the Company.

Risk Factors

Common shares should be considered highly speculative due to the nature of the Company's business (mineral exploration) and the current state of its development (early stage, without revenue). In evaluating the Company and its business, investors should carefully consider, in addition to the other information contained in this MD&A and in the Company’s financial statements, the risk factors described below.

These risk factors are not a definitive list of all risk factors associated with an investment in the Company or in connection with the Company's operations. There may be other risks and uncertainties that are not known to the Company or that the Company currently believes are not material, but which also may have a material adverse effect on its business, financial condition, operating results or prospects. In that case, the trading price of the Company's common shares could decline substantially, and investors may lose all or part of the value of the common shares held by them.

No Production History

The Company is a mineral exploration company with no history of earnings or revenue. There are no known commercial quantities of mineral reserves on any of its resource properties. Few exploration properties are ultimately developed into producing properties. There is no assurance that the Company will ever discover any commercially economic quantities of mineral reserves.

Negative Operating Cash Flow

Since inception, the Company has had negative operating cash flow and has incurred losses since its incorporation. The losses and negative operating cash flow are expected to continue for the foreseeable future as funds are expended on exploration of the properties and on administrative costs. The Company cannot predict when or if it will reach positive operating cash flow.

Possible Trading Suspension or Delisting

The CSE may suspend from trading or delist the securities of the Company where the Company has failed to submit documents to the CSE in the time periods required or has otherwise failed to meet minimum standards. Suspension from trading of the common shares may, and delisting of the common shares will, result in the regulatory securities authorities issuing a consolidated interim cease trade order against the Company. In addition, delisting of the common shares would result in the cancellation of all the currently issued and outstanding common shares of the Company held by insiders. Trading in the common shares of the Company may be halted at other times for other reasons also.

Requirement for Further Financing

The Company has no revenue and limited financial resources and therefore must raise additional funds to finance continued exploration work and working capital. There is no assurance the Company will be able to raise additional funds or will be able to do so on terms acceptable to it.

If the Company's exploration programs are successful and favorable exploration results are obtained, this may lead towards economic feasibility and mine construction. The Company would therefore require significantly more capital to place the properties into production. The sources of funding that would be available are from the issuance of equity, debt, joint venture or the sale of property interests and even if such financing is available, there is no assurance that such funds will be sufficient to bring any resource property to commercial production. Failure to obtain additional financing on a timely basis could have a material adverse effect on the Company and could cause it to forfeit its interest in its properties and reduce or terminate its operations.

Dilution

When the Company issues treasury shares to finance acquisition or participation opportunities, or to raise exploration funds and working capital, shareholders could suffer dilution of their investment and/or control of the Company could change, depending upon the issuance price.

Escrowed Shares

The possible sale of common shares released from escrow on each release date could negatively affect the market price of the Company's common shares and result in an excess of sellers of common shares to buyers of common shares and seriously affect the liquidity of the common shares.

Title to Properties

Acquisition of title to mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed. Although the Company has investigated its title to its properties for which it holds an option to acquire concessions, royalties or other mineral leases or licenses and the Company is satisfied with its review of the title to its properties, the Company cannot give an assurance that such title will not be challenged or impugned. Mineral properties sometimes contain claims or transfer histories that examiners cannot verify. The Company does not carry title insurance on its properties. A successful claim that the Company does not have title could cause the Company to lose its rights to its properties, perhaps without compensation for its prior expenditures on its properties. Resource properties may now or in the future also be the subject of indigenous land claims. The legal nature of indigenous land claims is a matter of considerable complexity. The impact of any such claim on the Company's ownership interest in its properties cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of indigenous rights in the area in which the properties are located, by way of a negotiated settlement or judicial pronouncement, would not have an adverse effect on the Company's activities.

Surface Rights

The Company does not own the surface rights to its properties. The Company understands that it is necessary, as a practical matter, to negotiate surface access through its stakeholders, government and local

First Nations. However, there is a risk that local communities or affected groups may take actions to delay, impede or otherwise terminate the contemplated activities of the Company. There can be no guarantee that the Company will be able to continue to negotiate a satisfactory agreement with any such existing landowners/occupiers for such access, and therefore it may be unable to carry out significant exploration and development activities. In addition, in circumstances where such access is denied, or no agreement can be reached, the Company may need to rely on the assistance of local officials or the courts in such jurisdiction, which assistance may not be provided or, if provided, may not be effective. If the development of a mine on a resource property becomes justifiable it will be necessary to acquire surface rights for mining, plant, tailings and mine waste disposal. There can be no assurance that the Company will be successful in acquiring any such rights.

Management

The success of the Company is largely dependent upon the performance of its management. The loss of the services of these persons may have a material adverse effect on the Company's business and prospects. There is no assurance that the Company can maintain the service of its management or other qualified personnel required to operate its business. Directors and officers other than the CEO of the Company may not be devoting 100% of their time to the affairs of the Company but do and will continue to devote such time as required to effectively manage the Company.

Requirement for Permits and Licenses

The Company follows all regulations and legal compliance requirements in regard to its exploration activities, including the application and terms of all necessary licenses and permits. However, such licenses and permits are subject to changes in regulations and in various operational circumstances. A substantial number of additional permits and licenses will be required should the Company proceed beyond exploration. There can be no guarantee that the Company will be able to obtain such licenses and permits.

Community Relations

Public scrutiny of mining projects and a general increase in environmental concerns has been addressed by the mining industry by involving both the local and broader communities and having open communications and dialogue with them and other stakeholders. Garnering community and public support for continued exploration, future mine development and construction includes public engagement and involvement of key community stakeholders throughout the exploration and development process. The Company's resource properties lie within the traditional territory of the Tahltan Nation, a key stakeholder. Key areas of concern include the sharing or transfer of economic benefits and environmental stewardship. The lack of a social license to operate could impair the value of the Company's resource properties or delay or prevent exploration, development or construction activities.

Environmental Risks and other Regulatory Requirements

The current or future operations of the Company, including the exploration activities and commencement of production on any resource property, will require permits from various federal and local governmental authorities, and such operations are and will be governed by laws and regulations governing exploration, development, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, site safety and other matters. There can be no assurance that all permits which the Company may require for its facilities and conduct of exploration and development operations will be obtainable on reasonable terms or that such laws and regulations would not have a material adverse effect on any exploration and development project which the Company might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in exploration and development operations may be required to compensate those suffering loss or damage by reason of the exploration and development activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations.

Amendments to current laws, regulations and permits governing the operations and activities of mineral companies, or more stringent enforcement thereof, could have a material adverse impact on the Company and cause increases in capital expenditure or exploration and development costs or reduction in levels of production at producing properties or require abandonment or delays in the development of new properties.

Uninsurable Risks

Exploration of mineral properties involves numerous risks, including unexpected or unusual geological conditions, rock bursts, cave-ins, fires, floods, earthquakes and other environmental occurrences, and political and social instability. It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks due to high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any further profitability and result in increasing costs and a decline in the value of the securities of the Company. The Company does currently maintain exploration and pollution liability insurance but any incident that occurs cannot be guaranteed to be insured.

Economic Conditions

Unfavorable economic conditions may negatively impact the Company's financial viability as a result of increased financing costs and limited access to capital markets.

Conflicts of Interest

Directors of the Company may, from time to time, serve as directors of, or participate in ventures with other companies involved in natural resource development. As a result, there may be situations that involve a conflict of interest for such directors. Each director will attempt not only to avoid dealing with such other companies in situations where conflicts might arise but will also disclose all such conflicts in accordance with the *Business Corporations Act* (British Columbia) and will govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law.

Litigation

The Company and/or its directors may be subject to a variety of civil or other legal proceedings, with or without merit. The Company does not know of any such pending or actual material legal proceedings as of the date of this MD&A.

No Cash Dividends

The Company has not declared any cash dividends to date, has no current earnings, and therefore the Company does not anticipate declaring any cash dividends for the foreseeable future.

Ore Reserves and Reserve Estimates

The Company's business relies upon the ability to determine whether a given resource property has commercial quantities of recoverable minerals. No assurance can be given that any discovered mineral reserves and resources will be recovered or that they will be recovered at the rates estimated. Mineral reserve and resource estimates are based on limited sampling and, consequently, are uncertain because the samples may not be representative. Mineral reserve and resource estimates may also require revision (either up or down) based on actual production experience.

Financial Risks

The Company's financial risk exposures and their impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk arises from the potential that one or more counterparties fail to meet their obligations. The Company is normally exposed to credit risk through its cash and cash equivalents and receivables. The Company manages credit risk associated with its cash and cash equivalents by using reputable financial institutions, from which management believes the risk to be remote. Receivables generally consist of recoverable Canadian sales taxes and mineral exploration tax credits receivable and accrued interest on short-term money market investments and management believes the collectability of these amounts to be assured.

Liquidity risk

Liquidity risk is related to the ability of the Company to meet its obligations as they come due. The Company has historically relied on equity financings to satisfy its capital requirements and will continue to depend upon equity capital as the main source of capital but could also enter into earn-in arrangements or the sale of certain property interests. There is no assurance that the Company will be able to obtain its future financings on acceptable terms. The ability of the Company to continue on this course will depend, in part, on the prevailing market conditions and the market interest in financing the Company's mineral property exploration programs, and the scope of such programs.

The Company's basic approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2020 the Company had cash and cash equivalents of $387,093 (March 31, 2020 -$45,961) and current liabilities of $738,759 (March 31, 2020 - $165,077). However, the Company's net working capital at September 30, 2020 was $85,833, which includes the accrual of the 2019 BC METC tax credit receivable of $270,908. The BC METC was received subsequent to September 30, 2020. Nevertheless, the Company requires additional financing for the ensuing year.

Interest rate risk

The Company is not exposed to risk in the event of interest rate fluctuations. The Company has no long-term debt other than an office premises lease and has not entered into any interest rate swaps or other financial arrangements to mitigate the exposure to interest rate fluctuations, and current interest rates remain historically low.

Market risk

The Company is subject to limited market risk as the price of its short-term money market investments fluctuates due to market forces. The Company has no control over their fluctuating prices, does not hedge its investments and the fluctuations are limited in scope and volatility. At the date of this report however, the Company held no short-term money market investments.

Foreign currency risk

The Company's functional currency is the Canadian dollar, and an immaterial amount of transactions are based on other currencies. Management believes the foreign exchange risk derived from currency conversions is not significant and therefore does not hedge its foreign exchange risk.

Corporate Governance

The Company's Board of Directors and its audit committee substantially follow the recommended corporate governance guidelines for public companies to ensure transparency and accountability to the shareholders. The current Board of Directors is 4 individuals comprised of 2 independent members and 2 executive officers/directors. The audit committee consists of 3 financially literate members comprised of 2 independent directors and the chief executive officer who is a director.