ETRUSCUS RESOURCES CORP.
Management's Discussion and Analysis
Year ended March 31, 2021

Introduction

This management's discussion and analysis ("MD&A") is dated June 25, 2021, and provides information on the activities of Etruscus Resources Corp. ("Etruscus" or "the Company") as at and for the year ended March 31, 2021, with subsequent events up to the date of this MD&A, and should be read in conjunction with the Company's financial statements for the year ended March 31, 2021, 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 year ended March 31, 2021 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").

Comments on COVID-19:

On March 11, 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak has continued to spread, creating public health issues around the world. The outbreak has adversely affected global workforces, economies and financial markets. It is not possible at this time for the Company to predict the duration or magnitude of the continuing adverse results of the outbreak nor its effects on the Company's business or operations. The Canadian government's COVID relief programs were assessed, and the Company was found to be largely ineligible for such relief programs. The rollout of approved vaccines began in December 2020, but the timelines of vaccinations and the impact from new virus variants cannot be determined.

We note that the pandemic has not materially affected the Company's operations nor increased its operating costs this past year:

- capitalized exploration costs of $2.8 million as at March 31, 2021 remain unimpaired;
- credit risks to the Company remain negligible as most receivables are government sales taxes and tax credits, the collectability of which is assured;
- there were no impacts on the key judgements and assumptions used by the Company in its financial reporting;

The Company's top priority remains the health and safety of its workers and in that regard, it developed a Worksafe BC compliant COVID-19 Safety Plan, with protocols and guidelines for all aspects of our operations. The Plan was coordinated with similar plans developed by our exploration subcontractors. The Company has regularly updated and re-disseminated the Plan. Like many organizations, at the outset of the pandemic we utilized measures including work-from-home policies, teleconferencing and limiting the number of workers in the office and at other work locations. These actions ensured the continuation of the Company's operations and exploration work through this period of uncertainty and will continue to be utilized, as necessary.

We facilitated a successful drilling program this past summer which ended on October 9, 2020. Our Tahltan First Nations partners have maintained very rigorous health and safety measures to keep COVID out of their communities, but allowed members to remain employed in the mining and other resource sectors. Those measures have been successful to date. The Tahltans' COVID-19 community protocols are regularly updated and are shared with their exploration and other mining partners.

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 the nature of the COVID-19 pandemic, 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.

Private placement financings were completed in June, September and December 2020, and June 2021, providing sufficient funding for the Company’s exploration and working capital needs through the prior and current fiscal years.

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. The pandemic created some delays in the start-up of exploration work but did not otherwise have a significant impact on the Company’s operations or the execution of the work programs.

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 meters (“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 1: Rock & Roll Inferred Mineral Resource Estimate, August 3rd, 2018
(Cut-off Grade 0.5 g/t AuEq)

Resource		**Grade**					**AuEq**
Inferred	2,015,000 Tonnes	**Au** (g/t)	**Ag** (g/t)	**Cu** (%)	**Pb** (%)	**Zn** (%)	(g/t)
		0.71	87.1	0.23	0.23	0.98	2.63
	Contained Metal	46,000 Ozs	5,643,000 Ozs	10,246,000 Lbs	10,180,000 Lbs	43,503,000 Lbs	170,000 Ozs

**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.

New exploration work and recently completed airborne geophysical surveys have led to the identification of a number of prospective areas across the extended claims. Two targets in particular, Hurricane and Thunderstruck, have emerged as quickly advancing areas of interest. The Hurricane Target has outlined the possibility of other VMS lenses occurring on the Property while the Thunderstruck Target has returned high grade silver and gold results and has demonstrated an epithermal geochemical fingerprint.

Corporate Outlook

The Property's location in BC's Golden Triangle is an exciting region for exploration and mining development. According to the 2019 BC Mineral and Coal Exploration Survey, completed jointly by the Government of British Columbia, the Association for Mineral Exploration, and Ernst and Young LLP, $180 million was spent on mineral exploration in the Golden Triangle in 2019, an increase of 10% from 2018 and double the amount from 2016, representing 55% of all 2019 exploration expenditures in B.C.

Management views the following as key factors contributing to its optimistic outlook:

- Drilling during 2020 increased the size of the mineralizing system down dip and along strike, and therefore 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;

- Excellent VTEM© and rock sampling results from the 2020 exploration program on the recently staked Rock & Roll claims. So far, two new targets have been discovered, Thunderstruck and Hurricane, opening up potential for additional Black Dog VMS lenses and/or epithermal mineralization;

- Having a local BC-based exploration property means accessibility, unaffected by international travel lockdowns;

- The Company utilizes Canadian government incentives and programs, such as flow-through shares which provide certain exploration tax credits, and the BC Mineral Exploration Tax Credit program;

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

- The Company raised $2.3 million through three different private placements during the year ended March 31, 2021, and closed an additional $1 million tranche of a private placement in June 2021, funding its Phase I summer exploration program;

- Resource markets strengthened through 2020 after recovering from weakness at the start of the pandemic, and in 2021, the CSE Composite Index has risen 8% to the date of this report, with higher trading volumes and exploration financings in the Golden Triangle compared to last year; and

- Many of the Company's 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 carry out further exploration work this 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. 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.

Property exploration is capitalized under exploration and evaluation assets and as at March 31, 2021 total exploration costs of $3.3 million have been incurred by Etruscus, before recoveries and tax credits.

Acquisition history

The initial 14 claims acquired are subject to the aforementioned 2% NSR. 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, followed by 744 Ha of new staking. 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. 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 is a VMS deposit that displays similarities to other precious metal-rich deposits such as Eskay Creek, Greens Creek, and many others 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 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. Jim Logan, 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. 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, Stardust, 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 91 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 kms;

- Collect 132 biogeochemical (bark) samples focusing on areas of previous geochemical interest as well as in underexplored forested terrain;
- Complete 1,234 line kms of airborne geophysical (VTEM©) survey across the historic Deposit as well as significant portions of the extended claims; 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 1, 2020 and continued until October 9, 2020 with a focus of completing a diamond drill program on a number of targets outlined in Phase 1. A total of 5 drill sites locations were cleared and 5 drill pads / helicopter pads were built during the Phase 2 campaign. A total of 1,975m of NQ diamond drill core was received from 4 drill setups, as shown in Table 2 with one drill site not utilized during the 2020 program. The exploration team was successful in reclaiming drill sites and reusing lumber from 4 previous sites and has left 3 drill sites intact for potential further use.

These were targets that were within the vicinity of the existing Black Dog resource and were delineated from updated geophysical data that was flown in Phase 1 of the exploration program. Three of the four holes were designed to test VMS targets either below, along strike or down dip of the Black Dog system. A fourth hole was primarily drilled as a porphyry target based on favorable geophysics and geochemistry.

The NQ sized diamond drill core was received from the field and processed at the Company's core shack at the McLymont Staging area where the cores are analyzed and geologically logged. Core processing involved meter markups, RQD (rock quality designation), core recovery and photographs. This is followed by geological logging where favorable sections were sent to the assay lab for analysis.

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 1,975

Results (drilling):

Drill hole RR20-09 was collared on the western edge of the Black Dog deposit with the goal of testing depth potential underneath the horizon as a significant amount of historic drilling had only been completed to a depth of 200m. Etruscus drilled a 400m hole and was pleased to intersect two massive sulphide horizons demonstrating two different styles of mineralization within a 16m package of favorable horizon. Notable intercepts starting at 101.2m downhole and included; 5.2% copper and 120 g/t silver over 0.60m within a broader 3.8m interval grading 1.15% copper and 27 g/t silver. This "feeder zone" mineralization also has highly anomalous gold, lead and zinc but most importantly represented the highest ever copper grades drilled on the Property. The high copper grades reflect the hottest part of the system and can be used as a targeting tool for future drilling. The second style of mineralization included bedded massive sulphide including strong lead and zinc mineralization (refer to Table 3 for summary of assay results).

The Brown Sugar drill hole (RR20-10) was designed to test a large conductor residing along strike to the southeast of the Black Dog Deposit underneath Lost Lake. 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 120m depth and possibly aligning with a more southernly swinging geophysical trend. After drilling this hole it was concluded that conductive clays and lake sediments were responsible for the conductive anomaly. No significant geological markers were encountered to suggest the system was trending in a more southerly direction.

The Stardust target (RR20-11), 1.5 km south-east of the Black Dog Deposit, was drilled due to a combination of a large magnetic high that is partially coincident with a biogeochemical anomaly of copper, arsenic and gold. Drilling revealed a mineralized horizon starting at 195.8m downhole similar to that of the Black Dog horizon with up to 32 g/t silver and elevated lead and zinc, in a zone of disseminated sulphides. This finding has helped provided better spatial controls on this important time horizon and has extend the mineralizing system farther east than previously thought to a total strike length of over 4 km.

The final drill hole of the program tested The Wall target (RR20-12), a large conductive anomaly residing below 300m depth and occurring down dip from the main Black Dog Deposit. The drilling identified Black Dog like geology and geochemistry at a depth of 500m. This included anomalous silver, copper, and zinc and other elements that are reflective of hydrothermal mineralization and metal enrichment. Black argillite and mudstones that are known to host the Black Dog mineralization were identified as the host rocks. This further confirmed the conformable nature of the limestone package to the Black Dog stratigraphy and expands the system 1 km down dip. It also leaves a large package of untested ground between the Black Dog and the Wall target where further drilling may take place.

Results (exploration):

Significant advancements have been made across the Property. During the summer 2020 Phase 1 mapping and sampling program, Jim Logan and the Etruscus geologists were successful in identifying the Red Line geology across large portions of the Property. The Jack Formation (Red Line unconformity), composed of a distinctive polymictic conglomerate, was identified at multiple locations. Rock sampling results returned to date have also identified a number of highly anomalous grab samples. This, combined with the VTEM© preliminary dataset, has allowed the team to outline two strong target areas to be followed up with next year.

The Hurricane Targets are located in an area that was first prioritized based on its geological similarity to the Black Dog Deposit. It contains distinctive geological units including a black argillite/mudstone as well as an intermediate volcanic/tuffaceous unit that are both characteristics of mineralization at the Black Dog. Once the initial geophysical dataset was received, it also highlighted a 3.3 km geophysical trend with two strong electromagnetic lobes located along strike. After receiving this data, Etruscus added a 744 Ha claim block to the Property to better ensure full ownership of the Hurricane trend. Geological teams were able to conduct first pass rock sampling and prospecting across the two Hurricane Targets and identified multiple gossanous outcrops within the area. Initial sampling has revealed anomalous silver and copper values, and a much larger work program is planned for the 2021 season.

The Thunderstruck Target emerged based on rock sampling results that were returned from prospecting near glacial edges. No historic work in this area has been done due to recent deglaciation, but two samples, taken 85m apart, assayed high-grade silver along with other elements of interest. B0026845 assayed 7,013 g/t silver, 12.7 g/t gold, 3.9% zinc, 2.4% lead, and 0.2% copper and sample B0026844 assayed 1,017 g/t Silver, 0.4 g/t gold and 3.0% lead. Both samples were taken from cm scale polymetallic quartz calcite veins hosted in a homogenous siltstone package. Etruscus geologists were also able to identify a number of gossans that have not yet been followed up. Other samples from nearby areas in similar rock packages have also revealed anomalous silver values. The team is looking forward to further exploration at Thunderstruck in the 2021 season.

Other areas of interest were identified with assay results from rock sampling. Two areas of skarn type mineralization have been identified with elevated copper values. Also, sampling of new veins has identified other areas of high copper or high silver anomalies. This rock sampling combined with the geological mapping has been successful in highlighting the "Lightning Strike Corridor", a package of favorable geology and geochemistry that has only recently been glacier free and will take a large part of the focus for the 2021 exploration season.

Table 3- 2020 Drill Assay Highlights:

Hole	From	To	Length	Ag GPT	Au GPT	Cu %	Pb %	Zn %	Au Eq*
RR20-9	89.7	97.2	7.5	**34.27**	0.92	0.12	0.09	1.32	1.82
RR20-9	101.2	105.0	3.8	**27.00**	0.47	1.15	0.04	0.28	2.63
Including	104.3	104.9	0.6	**120.00**	1.07	**5.24**	0.17	0.92	**12.09**
RR20-9	108.7	109.2	0.5	19.98	0.01	0.64	0.05	0.29	1.55
RR20-11	195.8	197.0	1.2	**28.62**	0.00	0.01	0.19	0.32	0.69
RR20-11	202.0	202.5	0.5	10.14	0.00	0.01	0.23	0.11	0.31
RR20-12	521.6	525.5	3.9	2.35	0.00	0.02	0.00	0.01	0.08

**Gold Equivalent (AuEq) was calculated using spot metal prices for March 1, 2021. Prices in US dollars are as follows; US$1,724/oz gold, US$26.53/oz silver, US$4.15/lb copper, US$0.949/lb lead and US$1.27/lb zinc. Calculations are uncut and recovery is assumed to be 100%. Lengths represent down hole drill core lengths and likely represent true widths.*

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 m 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

A group of 11 mineral claims totalling 5,180 Ha known as the Sugar Property ("Sugar") 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 prior year 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 and an additional contiguous claim of 612 Ha named "The Hammer" was staked in February 2020.

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 3.2 km long mineralized skarn trend, copper-bearing quartz veins/stockworks and prominent gossans have all 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 was spent mapping and sampling across the Sugar Property to help outline the geological potential and define the multiple mineralizing systems. Geological mapping was completed at 1:10,000 scale across large areas of the property and 37 rock samples were taken. Both new and old showings were further investigated with skarn type mineralization being the dominant system. 74 line kms of airborne geophysical data was also collected over The Hammer showing.

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.

Results:

Updated geological mapping was completed with the help of Jim Logan, and when combined with historical mapping, has helped improve the geological understanding of the area. the Sugar Property 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. Texas Creek and Coast Plutonic intrusions are also thought to outcrop across Sugar.

The Hammer area that was staked in 2020 has demonstrated high potential to host a mineralizing system. Identification of a 100m x 100m gossan with strong magnetite, pyrrhotite and chalcopyrite mineralization was mapped and sampled. The areas of historic work were re-sampled with assays of over 8% copper in hand samples and 5 out of 6 rock samples taken at The Hammer assaying above 1.5% copper. Recent VTEM© flown over the area also helped delineate a 100m by 300m magnetic anomaly directly underneath the mineralization which makes the showing highly prospective.

Another area in the north of the property has been delineated as a 3 km skarn trend that occurs within Paleozoic limestone stratigraphy. Historic and new rock sampling has outlined a corridor with consistently elevated copper in hand samples as well as zinc. This mineralization is mostly hosted in massive sulfide of primarily pyrrhotite. Newly identified mineralization on the northwest edge of this trend revealed a 0.3% copper hand sample.

Other highlights from rock sampling on the property have been 5.6% copper in chip sample from a 30 cm wide quartz vein with a strike length of over 30m. Also, a float sample taken from a creek bed revealed 8.2% zinc and will be investigated in an attempt to find a source.

2019 Exploration

Exploration on the Sugar Property in 2019 was limited to one day of reconnaissance mapping and sampling soon after staking 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 April 2021, the Company renewed its annual Communications Agreement with the Tahltan Central Government ("TCG") for another year. The TCG is 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 Indigenous 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.

In February 2020, the Company entered into an Opportunity Sharing Agreement with the TCG to provide further commercial opportunities for Tahltans and their businesses over the exploration cycle. 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 rigorous COVID-19 community protocols issued by the TCG which are updated regularly and shared with 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 were assayed by MSA LABS which has facilities in Terrance and Langley, BC. Core was flown from drill sites to the core shack facility where it was sampled at 1-3 m 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 2 mm fraction, and then a 250g split was pulverized to better than 85% passed a 75-micros screen. The geochemical analyses were performed by MSA LABS using multi-element aqua-regia digestion ICP-MS package (IMS-111). Higher gold grades (>2 g/t) were analyzed by fire assay (FAS-114).

MSA LABS 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 Annual Financial Information

The following table provides a brief summary of the Company's annual financial operations since incorporation:

	As at and for the year ended March 31, 2021	As at and for the year ended March 31, 2020	As at and for the year ended March 31, 2019
Total assets	$ 3,165,281	$ 1,866,852	$ 1,625,640
Total liabilities	(113,491)	(189,249)	(56,564)
Shareholders' equity (deficiency)	3,051,790	1,677,603	1,569,076
Selected Operating Expense Items			
Advertising, marketing and promotion	432,901	47,302	3,222
Consulting fees	244,876	212,009	204,000
Professional fees	55,880	21,502	78,975
Regulatory and transfer agent fees	35,227	17,316	29,284
Share-based compensation	197,816	7,504	430,585
Net loss	$ (998,938)	$ (355,517)	$ (748,085)
Basic and diluted loss per share	$ (0.04)	$ (0.02)	$ (0.04)

Analysis of annual operating results- year ended March 31, 2021:

For the year ended March 31, 2021, a net loss of $998,938 (2020 - $355,517) was recorded, comprised of operating costs of $1,089,366 (2020 - $367,463), interest income of $1,303 (2020 - $10,506), amortization of discount of $2,574 (2020 – $2,826) and other income from settlement of flow-through share premium liability of $91,699 (2020 - $4,266). Operating costs includes share-based compensation of $197,816 (2020- $7,504) which is a non-cash item determined by the Black-Scholes pricing model in respect of options granted by the Company from time to time. All other operating costs, not including share-based compensation, were $891,550 (2020 - $359,959), an increase of almost 150% compared to the prior year.

The breakdown of these other operating costs, aside from share-based compensation, is as follows: Advertising, marketing and promotion was $432,901 (2020 - $47,302), consulting fees were $244,876 (2020 - $212,009), professional fees were $55,880 (2020 - $21,502), investor relations fees were $51,666 (2020 - $Nil), and all other operating costs were $106,227 (2020 - $79,146), the latter including office and general, rent, regulatory and transfer agent fees, travel, and depreciation. While all expense categories increased this year, the key items are further explained in the paragraphs below.

At the onset of the pandemic in March 2020, public fear and initial government restrictions caused an immediate, while brief, economic stagnation resulting in a lack of risk capital for investment, forcing many early-stage exploration companies to delay their fundraising. Alternate means of traditional communications and person-to-person engagements were needed. Soon after in May 2020, the Company's shares were listed on the Frankfurt Stock Exchange. At that time, the Company had no visibility in the European markets. As a result of conditions, the Company engaged several entities to conduct advertising, marketing and promotion. The Company engaged several third-party entities to provide digital advertising, video conferencing, market awareness services and recirculation of press releases and other Company information, the details of which are in the following paragraph. All these efforts helped with expanding the Company's public exposure, increasing market liquidity, increasing the Company's overall web-based traffic and introducing investors to the Company's private placements. Management does not expect such expenditures to recur to the same extent in the future.

The entities that performed these marketing 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. A German marketing firm was engaged to translate and circulate company materials to specific investment sectors in Germany and Europe resulting in a total of $232,433 incurred for branding and awareness campaigns. This was considered by management to be an advisable cost in conjunction with the listing of the Company's shares for trading on the Frankfurt Stock Exchange. Etruscus needed various introductions and targeted dissemination of Company news to put the Company on the "radar" of European resource investors. Reviews of stock trading indicate that over 4 million shares of the Company were traded in Germany in 2020 after the Frankfurt listing, largely a result of these expenditures. In addition, a US web marketing advertiser was engaged for US $10,000 to create more awareness in the US markets. 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 total of $180,028 was incurred on Canadian advertising and marketing groups in Vancouver and in Toronto.

For the year ended March 31, 2021, investor relations fees were incurred from two service providers. The first service provider, Conduit Capital Advisors ("Conduit"), was engaged in September 2020 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 initiates 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.

The second service provider, Lakeshore Securities Inc. ("Lakeshore"), was also engaged in September 2020, to provide market making services to the Company for a fee of $3,000 per month, 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.

Consulting fees increased 16% in the current year. Management fees are included in consulting fees and totalled $171,000 compared to $165,000 last year. Other consulting fees were $73,876 compared to $47,009 last year; the increase relates to the efforts behind the expansion of the Company's share listings to the US and Germany.

Professional fees rose $34,378 in the current year. The increase is almost entirely attributable to the process of listing of the Company's shares on the US's OTC market, which required legal and advisory services totalling $33,568. The remaining professional fees include an audit fee accrual, income tax services and various general legal fees.

Share-based compensation ("SBC") reflects the estimated fair value of stock options granted by the Company as determined by the Black-Scholes Option Pricing Model. The total SBC was much higher in the current year; stock options were granted in May 2020 (230,000 options at $0.25/share) and in September 2020 (475,000 options at $0.36/share) while in the prior year there was only one option grant of 60,000 shares at $0.25/share. The following weighted average assumptions were used to determine SBC:

	Year ended March 31, 2021	Year ended March 31, 2020
Risk-free interest rate	0.35%	1.1%
Expected life	3.5 years	5 years
Annualized volatility	100.4%	89.5%
Weighted average share price at grant date	$0.33	$0.25
Weighted average fair value at grant date	$0.28	$0.25
Forfeiture rate	0%	0%
Dividends	0%	0%

The Company recorded other income on settlement of flow-through share premium liability of $91,699 for the year (2020 - $4,266). While the differential price between regular and flow-through units issued under private placements is recorded as an increase to the flow-through share premium liability, the incurrence of qualifying exploration expenditures grinds down the liability and offsets the amount to other income on settlement of flow-through share premium liability. The flow-through premium liability at April 1, 2020 was $23,699 and flow through shares issued in August and December 2020 resulted in liability increases of $59,456 and $62,388, respectively. Qualifying expenditures during the year offset $91,699 of the liability for a closing flow-through share premium liability at March 31, 2021 of $53,844.

Analysis of annual cash flows- 2021:

During the year ended March 31, 2021, the Company raised a total of $2,336,000 from three private placements that were completed in June, September, and December 2020. Total issuance costs were $78,988, or 3.3% of the funds raised, which includes filing fees, legal fees, the fair value of finders' warrants and finders' commissions. An additional $18,750 was raised from the exercise of 75,000 consultant's options at $0.25/share. The Company also received $285,735 was received in respect of BC Mineral Exploration Tax credits covering the period from incorporation to March 31, 2020. The main cash outflows in the year were $1,709,246 (2020 - $1,348,100) spent on exploration and $868,247 (2020 - $342,484) spent on operations, reflecting that 66% (2020 - 80%) of cash disbursed was spent on property work and 34% (2020 - 20%) was spent on corporate overhead and administration. Advertising, marketing and promotion, the activities of which were previously discussed, comprised 43% of the current year's operating costs not including share-based compensation, and that is what drove up the relative disbursements compared to the prior year. Management expects the ensuing year to have much lower advertising, marketing and promotion expenses.

Analysis of annual operating results- year ended March 31, 2020:

During the year ended March 31, 2020, a net loss of $355,517 (2019 - $748,085) was recorded, comprised of operating costs of $367,463 (2019 - $769,643), interest income of $10,506 (2019 - $21,558), amortization of discount of $2,826 and other income from settlement of flow-through share premium liability of $4,266. Operating costs include share-based compensation, a non-cash item determined by the Black-Scholes pricing model in respect of options granted by the company from time to time. Operating costs not including share-based compensation was $359,959 (2019 - $339,058), an increase of 6% in 2020.

Operating costs consisted of advertising, marketing and promotion of $47,302 (2019 - $3,222), consulting fees of $212,009 (2019 - $204,000), professional fees of $21,502 (2019 - $78,975), regulatory and transfer agent fees of $17,316 (2019 - $29,284), share-based compensation of $7,504 (2019 - $430,585), and other operating costs of $61,830 (2019 - $23,577) which includes depreciation, office and general, rent and travel. The Company did not retain an investor relations consultant during the year ended March 31, 2020.

Higher advertising, marketing and promotion in 2020 was due to a 6-month contract for email and marketing awareness that ended in March 2020, which the Company credits for bringing subscriptions into its private placement that closed in late December 2019.

Consulting fees remained consistent between 2019 and 2020, rising only 4%. The same individuals performed the work in both years, with the exception of the corporate secretary who resigned in September 2019. The corporate secretarial duties are being managed by the CFO, with other tasks being done by a part-time administrator.

Professional fees were much higher in 2019, as were regulatory and transfer agent fees, because of the public listing process that endured through much of the fiscal year up to the Listing Date in January 2019. Ongoing professional fees are expected to mainly consist of the annual audit fee and occasional legal work needed from time to time, which is what the current year fees represent.

Share-based compensation in 2020 ($7,504) was low relative to 2019 ($430,585) because only one 60,000 stock option grant occurred this year compared to 1,885,000 stock options that were granted in the prior year. The following parameters were used for determination of fair value of the option grants over the past two years:

	Year ended March 31, 2020	Year ended March 31, 2019
Risk-free interest rate	1.1%	1.61% – 1.93%
Expected life	5 years	5 years
Annualized volatility	89.5%	**150%
Forfeiture rate	0%	0%
Dividends	0%	0%

**Note: Share-based compensation reflects the estimated fair value of stock options granted by the Company pursuant to the Black-Scholes option pricing model. One of the model's inputs is the volatility of the Company's share price. For the comparative year, stock options were granted on or soon after the Listing Date. There was insufficient trading in the newly listed Etruscus shares up to March 31, 2019 to yield a mathematically accurate volatility and accordingly, management used market comparables by averaging the disclosed volatilities of a group of 11 similar mineral exploration companies, to establish Etruscus' initial volatility at 150%.

Other operating costs in 2020 were all higher than the prior year including depreciation, office and general, rent and travel as shown in the statements of operations and comprehensive loss. One highlight is that depreciation includes straight-line amortization of right-of-use ("ROU") assets, also known as capitalized leased assets, over the term of the lease. The ROU portion of depreciation was $13,554 of the total depreciation of $19,958, compared to total 2019 depreciation of $2,678, of which the ROU portion was $Nil.

Analysis of annual cash flows- 2020:

During the year ended March 31, 2020, the Company raised a total of $486,590 from a private placement, incurring issuance costs of $2,085. The private placement consisted of 1,435,000 units at a price of $0.25 per unit and 399,500 flow-through units at a price of $0.32 per unit. The primary cash outflows in the year were $1,348,100 spent on resources properties and $342,484 spent on operations, reflecting that 80% of cash disbursed was spent on properties and 20% was spent on corporate overhead and administration. Other smaller cash flows during the year include interest income of $14,772, property and equipment purchases of $9,266, and payment of lease liability of $15,188. Total cash and cash equivalents declined during the year by $1,230,533.

Selected Quarterly Financial Information

	Three Months Ended March 31, 2021	Three Months Ended December 31, 2020	Three Months Ended September 30, 2020	Three Months Ended June 30, 2020
Total assets	$ 3,165,281	$ 3,353,466	$ 3,681,184	$ 1,938,183
Total liabilities	(113,491)	(119,313)	(753,550)	(210,255)
Shareholders' equity	3,051,790	3,234,153	2,927,634	1,727,928
Major operating expenses:				
Advertising, marketing, promotion	51,894	43,297	164,124	173,586
Consulting fees	69,758	39,350	85,330	50,438
Investor relations fees	23,999	25,500	2,167	-
Professional fees	21,770	2,217	31,577	316
Regulatory and transfer agent	4,212	7,343	6,928	16,744
Share-based compensation	10,006	25,451	120,843	41,516
Net income (loss)	(191,430)	(157,645)	(352,947)	(296,916)
Earnings (loss) per share- basic and diluted	(0.01)	(0.01)	(0.01)	(0.01)

	Three Months Ended March 31, 2020	Three Months Ended December 31, 2019	Three Months Ended September 30, 2019	Three Months Ended June 30, 2019
Total assets	$ 1,866,852	$ 1,930,204	$ 2,016,280	$ 1,522,049
Total liabilities	(189,249)	(141,555)	(589,667)	(24,173)
Shareholders' equity	1,677,603	1,788,649	1,426,613	1,497,876
Major operating expenses:				
Advertising, marketing, promotion	22,717	22,369	126	2,090
Consulting fees	51,059	44,500	54,450	62,000
Professional fees	16,250	5,252	-	-
Regulatory and transfer agent	5,428	-	-	-
Share-based compensation	7,504	5,418	4,219	2,251
Net income (loss)	(117,965)	(95,089)	(71,263)	(71,200)
Earnings (loss) per share- basic and diluted	(0.00)	(0.00)	(0.00)	(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 March 31, 2021: Q4 2021
Three-month period ended December 31, 2020: Q3 2021
Three-month period ended March 31, 2020: Q4 2020
Three-month period ended December 31, 2019: Q3 2020

Three months ended March 31, 2021 compared to three months ended December 31, 2020:

The Company had a net loss of $191,430 (Q3 2021 - $157,645) in the current quarter. The net loss is composed of operating expenses of $199,560 (Q3 2021 - $158,068), other income on settlement of flow-through share premium liability of $8,544 (Q3 2021 - $Nil), amortization of discount of $511 (Q3 2021 - $600) and finance income of $97 (Q3 2021 - $1,023).

The key operating expenses include consulting fees of $69,758 (Q3 2021 - $39,350), advertising, marketing and promotion of $51,894 (Q3 2021 - $43,297), investor relations fees of $23,999 (Q3 2021 - $25,500), professional fees of $21,770 (Q3 2021 - $2,217) and share-based compensation of $10,006 (Q3 2021 - $25,451), which together comprise 89% (Q3 2021 - 86%) of all operating costs. The increase in consulting fees of $30,408 was mostly attributable to a $21,000 increase in fees to management ($21,000).

As discussed under "*Analysis of annual operating results - year ended March 31, 2021:*" above, the Company engaged several marketing and brand awareness groups and an investor relations provider to provide alternative means of interacting with investors and capital markets due to COVID-19 restrictions, and to engage Europeans after listing the Company's shares on the Frankfurt Stock Exchange, resulting in higher advertising, marketing and investor relations costs this period. The share-based compensation expense in the current and prior quarters recognizes the fair value of the investor relations options that vested during the respective quarters.

Professional fees in the current quarter include a $15,000 audit accrual, $5,154 of legal fees related to the US OTC listing and other day-to-day legal expenses of $1,616 (Q3 2021 - $2,217).

In the current quarter, the Company spent net cash of $110,380 (Q3 2021 - $142,282) on operations and $94,335 (Q3 2021 - $784,762) on property-related exploration costs. No funds were received from the issuance or exercise of outstanding securities in the current quarter, but in the prior quarter, $538,950 was raised through a private placement. Overall, cash and cash equivalents declined $224,903 in the current quarter and $159,074 in the prior quarter.

The Company has 2 individuals working full-time and 4 working permanent part-time, 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, the Company also expects to continue its investor relations contracts and maintain a certain level of advertising and email marketing to keep relevant and in front of investors across the markets where the Company's shares are listed. Accordingly, we expect total recurring operating costs to average $160,000 per quarter, an increase of $20,000 from the prior quarter. Costs actually incurred each period will vary depending on the timing of expenses, the scope of work and the extent of advertising and marketing undertaken, which is related to the overall state of investor interest in the public mineral exploration sector.

Three months ended March 31, 2021 compared to three months ended March 31, 2020:

The Company had a net loss in the current quarter of $191,430 (Q4 2020 - $117,965), composed of operating costs of $199,560 (Q4 2020 - $121,372), finance income of $97 (Q4 2020 - $Nil), amortization of discount of $511 (Q4 2020 - $859) and other income on settlement of flow-through share premium liability of $8,544 (Q4 2020 - $4,266). Key operating costs, in decreasing amounts, includes consulting fees of $69,758 (Q4 2020 - $51,059), advertising, marketing and promotion of $51,894 (Q4 2020 -

$22,717), investor relations fees of $23,999 (Q4 2020 - $Nil) and professional fees of $21,770 (Q4 2020 - $16,250), which together comprise 84% (Q4 2020 - 76%) of all operating expenses. Higher expenses this period compared to the prior year reflect the Company's efforts to increase its public awareness across Canada, the US and Germany, the markets where the Company's shares are listed. This resulted in higher costs for advertising and marketing, investor relations fees and professional fees. Consulting fees to management increased by $21,000 relative to the comparative period, a result of higher fee rates which were set by the Company after a review of industry-comparable peer groups.

Other income on settlement of flow-through share premium liability during the current period was $8,544 (Q4 2020 - $4,266). Most of the qualifying exploration costs during the fiscal year are incurred in Q2 so during the current period, these costs were much lower, and reflect post-field program assay costs and geological fees for assessing the assay results and building the geo-models.

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.

The Company has no other material equipment or service leases for the year ended March 31, 2021.

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	(20,250)
Lease interest	2,574
Balance as at March 31, 2021	$ 24,172

Current portion	$ 19,143
Long-term portion	5,029
Balance as at March 31, 2021	$ 24,172

At March 31, 2021, future payments required under the Company's office lease are as follows:

Year ended March 31, 2022	$ 20,250
Year ended March 31, 2023	5,063
Total	$ 25,313

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 year ended March 31, 2021 were the same as those described in the annual financial statements for the prior year.

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 issued under private placements;

e) The valuation of flow-through share premium liability 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 are judgments.

Liquidity and capital management

The Company endeavors to maintain appropriate levels of capital and liquidity. Sufficient liquidity is required to meet liabilities and obligations as they become due. 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 required for operations and property exploration is expected to continue to come from the issuance of common shares or units for the foreseeable future. The Company's objectives of capital and liquidity management are to fund critical exploration work, meet on-going liabilities, maintain creditworthiness, continue as a going concern, and to ultimately maximize returns for shareholders over the long term.

As of the date of this MD&A, the Company has working capital of $860,000 as follows:

Current working capital:		(000's)
Cash and cash equivalents	$	841
Receivables		11
BC METC		236
Accounts payable and accrued liabilities		(78)
Due to related parties		(3)
Flow through premium liability		(128)
Lease liability		(19)
Total net working capital	$	860

The Company has sufficient funds for its Phase I exploration program and working capital needs through the year, but additional capital will be required to fund further work. At the date of this report, the Company had closed the first $1 million tranche of a $1.5 million private placement and was anticipating a final closing in the short term.

Disclosure of Outstanding Security Data

There are 31,601,284 common shares outstanding and 43,112,113 fully diluted shares outstanding at the date of this report, an increase of 3,086,978 common shares outstanding compared to March 31, 2021.

On June 8, 2021, the Company closed a $1 million tranche of its $1.5 million private placement first announced on April 26, 2021. The Company issued a total of 1,608,334 non-flow-through units at $0.30 per unit for proceeds of $482,500 and 1,478,644 flow-through units at $0.35 per unit for proceeds of $517,525. Flow-through funds will be used for continued exploration of the Company's Rock & Roll and Sugar Properties and the non-flow-through funds will be used for both exploration and general working capital. A final tranche of the private placement is expected to close in the immediate term.

Each $0.30 non-flow-through unit consists of one common share and one-half of one share purchase warrant. Each whole Warrant entitles the holder to purchase one additional common share at a price of $0.40 per share for a 2-year period.

Each $0.35 flow-through unit consists of one flow-through common share and one-half of one non-flow-through share purchase warrant. Each whole Warrant entitles the holder to purchase one additional common share at a price of $0.45 per share for a 2-year period.

All securities issued are subject to a four month plus one day hold period. Finders' fees were paid in accordance with securities regulations. The Company paid the finders' $41,405 and issued 126,850 finder's warrants to arms-length parties in connection with the closing. Each finder's warrant is exercisable at $0.33 per share for a period of two years.

The flow-through shares will qualify as "flow-through shares" for the purposes of the Income Tax Act (Canada) (the "Act"). The Proceeds of the flow-through private placement will be used to incur "Canadian exploration expense" (within the meaning of the Act). The Company will renounce these expenses to the purchasers with an effective date of no later than December 31, 2021, and as required under the Act.

Share transactions during the year ended March 31, 2021:

a) 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. Each unit consisted of one common share and one common share purchase warrant exercisable at $0.40 per share for a two-year period. Total finders' fees of $525 were incurred. No residual value was assigned to the warrant component of the private placement.

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

c) On July 29, 2020, 40,000 consultants' stock options were exercised at $0.25 per share for proceeds of $10,000.

d) 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 consisted 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 consisted 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 recorded a flow-through premium liability of $59,456 as a deduction from share capital, being the difference between the amounts recognized in common shares and the amounts investors paid for the 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.

e) On October 6, 2020, 35,000 consultants’ stock options were exercised at $0.25 per share for proceeds of $8,750.

f) On December 30, 2020, the Company closed a non-brokered private placement, raising a total of $530,200 in two tranches. The financing consisted of 980,000 non-flow-through units at a price of $0.25 per unit for proceeds of $245,000 and 891,250 flow-through units at a price of $0.32 per unit for proceeds of $285,200. Each non-flow-through unit consisted of one common share and one common share purchase warrant exercisable at $0.40 per share for a period of 2 years. Each flow-through unit consisted of one flow-through common share and one non-flow-through common share purchase warrant exercisable at $0.50 per share for a period of 2 years. No residual value was assigned to the warrant component of either the flow-through or non-flow-through units. The Company recorded a flow-through premium liability of $62,388 as a deduction from share capital, being the difference between the amounts recognized in common shares and the amounts investors paid for the shares.

The Company incurred total issuance costs of $34,386 comprised of filing fees of $2,340, legal fees of $6,644, finder’s fees of $18,000 and 58,000 finder’s warrants valued at $7,402, issued to arm’s length parties as permitted by securities law. The finders’ warrants were valued following the Black Scholes pricing model and are exercisable at $0.285 per common share for a 2-year period.

g) On January 15, 2021, 1,500,000 common shares were released from escrow.

All shares issued under the private placements completed during the year ended March 31, 2021 are subject to a hold period of four months and one day from the date of issuance. Proceeds of all non-flow-through financings will be used for exploration and general working capital. The proceeds from the issuance of flow-through shares are being 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.

Stock options:

At the date of this report, there are 2,525,000 stock options outstanding, unchanged from March 31, 2021.

Number of stock options outstanding:	Number of Stock options	Weighted average exercise price
Balance at March 31, 2019	1,885,000	$ 0.25
Options granted	60,000	0.25
Options terminated	(250,000)	(0.25)
Balance at March 31, 2020	1,695,000	$ 0.25
Options granted	905,000	0.33
Options exercised	(75,000)	0.25
Balance at March 31, 2021 and June 25, 2021	2,525,000	$ 0.28

During the year ended March 31, 2021, 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 vesting upon grant and 200,000 vesting over a one-year period. The 200,000 stock options were granted to the Company's Investor Relations provider, Conduit Capital Advisors. For the year ended March 31, 2021, share-based compensation of $120,843 was recognized in respect of the 475,000 vested options and $25,451 was recognized in respect of the vested portion of the 200,000 investor relations options.

At the date of this report, the following stock options are outstanding:

Expiry Date	Number of Outstanding Stock Options	Number of Vested Stock Options	Exercise Price ($)
January 15, 2024	1,250,000	1,250,000	0.25
January 21, 2024	260,000	260,000	0.25
March 15, 2024	50,000	50,000	0.28
February 27, 2025	60,000	60,000	0.25
May 25, 2025	230,000	230,000	0.25
September 21, 2025	675,000	525,000	0.36
Total outstanding options	2,525,000	2,375,000	

The Company recognizes share-based compensation for the purpose of valuing stock option grants and recognizes the fair value of finders' warrants issued under private placements, using the Black-Scholes Pricing Model in both cases. The Company used the following ranges of weighted average assumptions in the calculations:

	Year ended March 31, 2021	Year ended March 31, 2020
Weighted average assumptions:		
Risk-free interest rate	0.35%	1.1%
Expected dividend yield	-	-
Expected option life (years)	3.5	5
Expected Stock price volatility	100.4%	89.5%
Weighted average share price at grant date	$0.33	$ 0.25
Weighted average fair value at grant date	$0.28	$ 0.25
Expected forfeiture rate	-	-

Warrants:

There are 8,985,829 warrants outstanding as of the date of this report, an increase of 1,670,338 warrants from March 31, 2021.

Number of share purchase warrants outstanding:	Number of warrants
Balance at March 31, 2020	3,614,250
Warrants issued	6,398,241
Warrants expired	(2,697,000)
Balance at March 31, 2021	7,315,491
Warrants issued	1,670,338
Balance at June 25, 2021	8,985,829

At the date of this report, the following warrants are outstanding:

Expiry Date	Number of Warrants outstanding	Exercise Price ($)
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
December 18, 2022	365,000	0.40
December 18, 2022	445,625	0.50
December 18, 2022	50,000	0.285
December 30, 2022	125,000	0.40
December 30, 2022	8,000	0.285
May 19, 2023	270,000	0.40
May 19, 2023	68,400	0.33
May 19, 2023	636,072	0.45
June 8, 2023	534,166	0.40
June 8, 2023	58,450	0.33
June 8, 2023	103,250	0.45
Total	8,985,829	

Directors, Officers and Management

As at March 31, 2021, 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 David Webb (Vice-President of Exploration). There were no changes to the Board or executive management during the year ended March 31, 2021.

The Company's Advisory Board consists of Lindsay Bottomer, David Dupre and Murray Jones, whose biographies were detailed in the Company's prior MD&A's.

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 March 31, 2021 is $20,475 (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 year ended March 31, 2021	Transactions for the year ended March 31, 2020	**Balance payable as at March 31, 2021**	Balance payable as at March 31, 2020
Short-term benefits:					
Hatch 8 Consulting	**(a)**	**$ 103,500**	$ 90,000	**$ 12,600**	$ 10,750
Lever Capital Corp.	**(b)**	**36,000**	30,000	**4,725**	15,750
Sameen Oates	**(c)**	**-**	15,000	**-**	-
Avanti Consulting Inc.	**(d)**	**31,500**	30,000	**3,150**	15,750
DRW Geological Consultants Ltd.	**(e)**	**48,000**	48,000	**-**	4,200
Total		**$ 219,000**	$ 213,000	**$ 20,475**	$ 46,450

ii) During the year ended March 31, 2021, the company entered into transactions with MTS as follows:

	Due to MTS as at March 31, 2020	Invoiced	Paid	**Due to MTS as at March 31, 2021**
Rent including GST	$ 9,334	$ 37,449	$ (46,783)	**$ -**
Office expenses, net, including GST	-	2,250	(2,250)	-
Total	$ 9,334	$ 39,699	$ (49,033)	**$ -**

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 March 31, 2021 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.

Covid-19

The nature of the COVID-19 pandemic is changing with new variants arising. In addition, there can be no certainty that any vaccines developed or under development will maintain their effectiveness over longer periods of time. Operating disruptions and volatile supply chain price changes may continue to occur as a result of the pandemic. Government regulations may change at any time, impacting operating procedures, including possible economic closures. Financial markets continue to be impacted by the pandemic, and record levels of government deficit spending is contributing to future financial risks and economic uncertainties, domestically and internationally.

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 manage the Company effectively and appropriately.

Requirement for Permits and Licenses

The Company follows regulatory and compliance requirements with respect to its exploration activities, including the application and the 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 and 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 to conduct exploration and field 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 adverse incident that may occur 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 previously declared any cash dividends, has no current earnings, and therefore 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 and obligations when due. As at March 31, 2021 the Company had cash and cash equivalents of $31,106 (March 31, 2020 -$45,961) and current liabilities of $108,462 (March 31, 2020 -

$165,077). Subsequent to March 31, 2021, the Company closed a tranche of a private placement, raising $1,000,025. This latest financing provides the liquidity to execute the Company's Phase I exploration program this summer and cover its working capital needs over the ensuing year, but additional financing will be required for further exploration work.

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 any short-term money market investments that it might hold fluctuates due to market forces. The Company has no control over their fluctuating prices and does not hedge its investments, but the fluctuations are limited in scope and volatility and are unlikely have a material impact on valuation. 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 transaction amounts based in other currencies are infrequent and immaterial. 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.