SCOTCH CREEK VENTURES INC.

Management's Discussion and Analysis

For the three and nine month periods ended September 30, 2021

INTRODUCTION

The following discussion and analysis of the results of operations and financial condition of Scotch Creek Ventures Inc. ("Scotch Creek" or the "Company") for the three and nine months ended September 30, 2021 should be read in conjunction with the Scotch Creek unaudited condensed interim consolidated financial statements and related notes for the three and nine months ended September 30, 2021 and the Scotch Creek audited consolidated financial statements for the twelve months ended December 31, 2020 and December 31, 2019, which are prepared in accordance with the International Financial Reporting Standards ("IFRS").

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible for ensuring that information disclosed externally, including the financial statements and Management Discussion and Analysis ("MD&A"), is complete and reliable.

The Scotch Creek financial statements, MD&A and all other continuous disclosure documents are filed with Canadian securities regulators and are available for review under the Scotch Creek profile at www.sedar.com.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained in this MD&A constitute "forward-looking statements". Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks set forth below and as detailed under **RISK AND UNCERTAINTIES** in this MD&A.

Risk factors that could affect the Company's future results include, but are not limited to, risks inherent in mineral exploration and development and mining activities in general, volatility and sensitivity to market prices for commodities, changes in government regulation and policies including environmental regulations and reclamation requirements, receipt of required permits and approvals from governmental authorities, competition from other companies, ability to attract and retain skilled employees and contractors, and changes in foreign currency exchange rates. Further information regarding these and other factors which may cause results to differ materially from those projected in forward-looking statements are included in the Company's filings with securities regulatory authorities. The Company does not undertake to update any forward-looking statement that may be made from time to time by the Company or on its behalf, except in accordance with applicable securities laws.

NATURE OF BUSINESS AND OVERALL PERFORMANCE

Scotch Creek Ventures Inc. (the “Company”) was originally incorporated under the Business Corporations Act of British Columbia on January 9, 2017. The principal business of the Company is the acquisition and exploration and, if warranted, the development of mineral resource properties in North America.

The address of the Company’s corporate office and principal place of business is Suite 1140-625 Howe Street, Vancouver BC, V6C 2T6.

On December 27, 2018, the Company listed on the Canadian Securities Exchange (“CSE”), and trades under the symbol “SCV” after the closing of a prospectus offering in December 2018.

As at September 30, 2021, the Company held cash of $685,662 compared to $3,538 at September 30, 2020, and $33,984 at December 31, 2020. Furthermore, amounts capitalized as exploration and evaluation assets at September 30, 2021 totalled $3,490,684, compared to $260,625 as at December 31, 2020.

During the nine months ended September 30, 2021, the Company acquired a 100% interest in the Clayton Valley Claims, which comprise two properties (the Macallan East and Highlands West properties) and is located in the Clayton Valley, Nevada, USA. The combined properties cover approximately 9,140 acres (457 claims) and as consideration for the claims, the Company issued an aggregate of 3,500,000 common shares at a fair value of $0.78 per share for total consideration of $2,730,000. In addition, the Company paid Bureau of Land Management fees, County fees, and staking costs.

On July 12, 2017, the Company entered into a purchase agreement with Curellie LLC (“Curellie”) of Elko, Nevada to acquire a 100% undivided interest in the Cupz unpatented lode claims (Cupz 1-14) located in Esmeralda County, Nevada, USA. There are 39 claims in total, covering approximately 806 acres. Pursuant to the terms of the agreement, the Company purchased the property for $17,000 with a 3% net smelter return (“NSR”) royalty to Curellie. At any time, the Company may reduce the royalty to 2% by paying $500,000 to Curellie or to 1% by paying $1,000,000.

On September 1, 2021, the Company announced the planned spin-off of this property.

During the year ended December 31, 2020, there was a global outbreak of COVID-19 which has had a significant impact on businesses through the restrictions put in place by the American, Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. It is not possible for the Company to predict the duration or magnitude of the adverse results of these restrictions or their effect on the Company’s ability to raise capital or conduct exploration activities. There are travel restrictions and health and safety concerns in all areas in which the Company operates, that may prohibit or delay exploration programs from proceeding. Operations will depend on obtaining necessary field supplies, obtaining contractor services and safeguarding all personnel during the outbreak, which may be prohibitive or too costly. To date, the restricted nature of the Company’s activities has not qualified it for the various Government wage and loan subsidies.

PROPERTY OVERVIEW AND DEVELOPMENT

Clayton Valley Claims (the Macallan East and Highlands West)

On June 9, 2021, the Company acquired a 100% interest in two lithium properties in the Clayton Valley, Nevada, USA. The two properties, the Highlands West and Macallan East, cover 457 claims or approximately 9,281 acres and are centrally located in the Clayton Valley district of Nevada.

The Highlands West project consists of 298 20-acre placer claims and is located on the southwest side of the Clayton Valley, Nevada, United States of America.

The Macallan East property consists of 159 20-acre claims and is located on the southeast side of the Clayton Valley.

Discussion on the Clayton Valley Claims

The Company has retained Hasbrouck Geophysics Inc. (“Hasbrouck”) to work on the two Clayton Valley lithium brine projects. Hasbrouck has completed a detailed HSAMT survey and the results from this survey has aided the Company in identifying multiple potential future drill targets on both the Highlands West and Macallan East claims.

The geophysical exploration program consisted of a Hybrid-Source Audio-Magnetotellurics (HSAMT) program where data was acquired at intervals of 500 meters along four lines within each claim block with a nominal total of 31 and 41 stations within the Macallan and Highlands claims.

The objectives of the HSAMT survey was to define:

1. The extent of conductors that may represent lithium-bearing brine units.
2. Map the continuity, thickness, dip, and extent of potential brine-hosting units.
3. Identify drill targets or additional data needed prior to drilling.

The Company has commenced the application process to obtain drill permits for the properties.

The Company has also had a NI43-101 report completed on each of the two claim blocks which can be found on the Company’s website (www.scotch-creek.com) or on SEDAR (www.sedar.com).

The NI43-101 reports are available at www.sedar.com.

The Cupz Property

The Cupz Property consists of 39 unpatented lode mining claims in Esmeralda County, Nevada. The existing Cupz Property covers 806 acres in the Cuprite Hills District.

On July 12, 2017, the Company entered into the Cupz Property Purchase Agreement with the Vendor whereby the Vendor sold the Company an undivided 100% interest in 14 claims (Cupz-1 to Cupz-14) of the Cupz Property. The Company acquired these claims for the sum of $17,000. The Company staked the 25 additional claims (Cupz 15 to Cupz 39) in November 2017 to cover targets revealed by summer – fall exploration work of which the Company is the beneficial holder and Curellie LLC the registered holder. The Cupz Property as a whole consists of a contiguous block of 39 claims (Cupz 1 to Cupz 39), covering about 806 acres. The Company holds the Cupz Property outright with no underlying leases.

Discussion of the Cupz Property

During the nine months ended the September 30, 2021, the Company did not complete any significant work on the property.

During the nine months ended September 30, 2020 the Company completed compiling the data from the drill program completed in 2019. We are using this information to determine future soil and rock sampling programs and also to determine additional drilling locations

The NI43-101 report is available at www.sedar.com.

SELECTED ANNUAL INFORMATION

The following financial data prepared in accordance with IFRS stated in Canadian dollars is presented as at December 31, 2020, 2019 and 2018:

For the Periods ended		**Year Ended December 31,2020**		**Year ended December 31, 2019**		**Year ended December 31, 2018**
Total Revenue	$	-	$	-	$	-
Net loss for the year/period	$	211,255	$	165,029	$	117,579
Total Assets	$	310,263	$	270,732	$	416,160
Total Liabilities	$	251,719	$	159,099	$	139,498
Cash Dividends per share	$	-	$	-	$	-
Basic and diluted loss per share	$	(0.01)	$	(0.01)	$	(0.01)

SUMMARY OF QUARTERLY RESULTS

The following table shows the results for the last quarter compared to those from the previous seven quarters:

	2021			2020				2019
	30-Sept	**30-Jun**	**30-Mar**	**31-Dec**	**30-Sept**	**30-Jun**	**30-Mar**	**31-Dec**
Revenues	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil
Loss before other items	$(290,296)	$(725,211)	$(146,896)	$(52,250)	$(55,911)	$(46,176)	$(46,963)	$(53,578)
Share-based payments (recovery)	$(325,000)		$(142,240)	$70,945	$(80,900)			
Net (loss) income	$(615,296)	$(725,211)	$(289,137)	$18,695	$(136,811)	$(46,176)	$(46,963)	$(53,478)
(Loss) income per share - basic and diluted	$(0.02)	$(0.03)	$(0.00)	$0.00	$(0.00)	$(0.00)	$(0.00)	$(0.00)
Shares outstanding	28,615,385	25,594,401	16,854,455	15,549,265	15,162,000	13,835,000	13,835,000	13,835,000

RESULTS OF OPERATIONS

Scotch Creek is an exploration stage company and has no operating revenues. Most of its expenditures are exploration related and are capitalized (not accounted as operating expenses).

The net loss for the three months ended September 30, 2021, compared to the net loss for the three months ended September 30, 2020, increased by approximately $478,000. This was caused, by the most part, by an increase in share-based payments expense of approximately $244,000, an increase in marketing, promotional and consulting fees of approximately $188,000, an increase in management fees of approximately $30,000, and an increase in office and administrative costs of approximately $19,000. This overall increase was partially offset by a decrease in professional fees of approximately $12,000.

All other amounts remained consistent between periods.

LIQUIDITY AND CAPITAL RESOURCES

The Company is engaged in mineral exploration and has no cash flow from operations.

The Company must rely on equity financing, loans and/or advances to meet its administrative and overhead expenses and to pursue its exploration objectives. At September 30, 2021, the Company held cash of $685,662 (December 2020 - $33,984) and had receivables (consisting largely of recoverable sales tax) of $51,352 (December 31, 2020 – $15,654). Further, as at September 30, 2021, the Company had current liabilities of $40,876 (December 31, 2020 - $226,719), which resulted in a working capital surplus of $696,138 (December 31, 2020 – working capital deficit of $177,081).

During the nine months ended September 30, 2021, the Company issued 3,000,000 common shares upon the exercise of warrants for proceeds of $360,000 ($0.12 per share).

On April 26, 2021, the Company closed a private placement of 6,566,120 units at $0.35 per unit for gross proceeds of $2,298,142. Each unit consisted of one common share and one share purchase warrant entitling the holder to acquire one additional common share at $0.50 for a period of two years. No residual value was allocated to the warrant component of the units.

In connection with the unit offering, the Company paid finder's fees totaling $97,460 and issued 344,637 finders' warrants with a fair value of $221,455. The finders' warrants are exercisable at a price of $0.50 for a period of two years.

The Company believes that the current capital resources are not sufficient to pay for continued mineral exploration and overhead expenses for the next twelve months and will need to seek additional funding or find joint venture partners on its project. Depending upon the exploration results the Company may seek additional funding or seek joint venture partners on its project. The Company will continue to monitor the current economic and financial market conditions and evaluate their impact on the Company's liquidity and future prospects.

Since the Company will not be able to generate cash from its operations in the foreseeable future, the Company will have to rely on the issuance of shares or the exercise of options, warrants and loans to fund ongoing operations and investment. The ability of the Company to raise capital will depend on market conditions and it may not be possible for the Company to issue shares on acceptable terms or at all.

OFF BALANCE SHEET ARRANGEMENTS

The Company does not utilize off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

Related party transactions are in the normal course of operations and are measured at the amount of consideration established and agreed to by the related parties.

Key management personnel are the persons responsible for the planning, directing and controlling the activities of the Company, and include both executive and non-executive directors, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel.

During the nine months ended September 30, 2021, the Company paid or accrued:

- $180,000 (2020 - $90,000) in management fees to companies controlled by two Officers and Directors;
- $9,000 (2020 - $9,000) in Directors' fees to two independent Directors; and
- $26,500 (2020 - $nil) in rent to a company controlled by two Directors.
- $925 (2020 - $nil) in interest was paid to a company controlled by an Officer and Director.

As at September 30, 2021, $13,000 (December 31, 2020 - $70,500) is owing to Directors, Officers and/or companies controlled by Directors and/or Officers and included in accounts payable and accrued liabilities.

During the nine months ended September 30, 2021, no stock options were granted to key management personnel.

During the nine months ended September 30, 2021, the Company repaid an $11,000 promissory note owing to a company controlled by a Director. The Company also repaid a $6,000 interest-free loan owing to a Director, that had been received during the year ended December 31, 2020 and included in accounts payable and accrued liabilities.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

As at September 30, 2021, the Company's financial instruments consist of cash and accounts payable and accrued liabilities.

The carrying value of accounts payable and accrued liabilities approximates its fair value because of the short-term nature of this instrument.

RISK MANAGEMENT

The Company examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks. These risks may include currency, credit, interest rate, liquidity, and commodity price risks. Where material, these risks are reviewed and monitored by the Board of Directors.

Credit risk
The Company is exposed to credit risk by holding cash. This risk is minimized by holding the funds in Canadian banks and credit unions or with Canadian governments. The Company has minimal receivables exposure as its refundable credits are due from the Canadian Government.

Interest rate risk
The Company is exposed to interest rate risk because of fluctuating interest rates. For the nine months ended September 30, 2021, every 1% fluctuation in interest rates up or down would have an insignificant impact on loss for the period.

Liquidity risk
Liquidity risk is the risk that the Company is unable to meet its financial obligations as they come due. The Company manages this risk by careful management of its working capital to ensure its expenditures will not exceed available resources.

Currency risk
Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the foreign exchange rates. Management does not believe the Company has a significant level of exposure to currency risk.

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

i) Exploration and evaluation expenditures

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditures are capitalized, information becomes available suggesting that the recovery of expenditures is unlikely, the amounts capitalized are written off to net income in the period the new information becomes available.

ii) Impairment

At each reporting period, assets, specifically exploration and evaluation assets, are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amounts exceed their recoverable amounts. The assessment of the carrying amount often requires estimates and assumptions such as discount rates, exchange rates, commodity prices, future capital requirements and future operating performance.

iii) Share-based payment transactions

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant.

This estimate also requires determining the most appropriate inputs to the valuation model, including the expected life of the share option, volatility and dividend yield, and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 8 of the financial statements.

iv) Title to mineral property interests

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers, and title may be affected by undetected defects.

v) Rehabilitation provision

The application of the Company's accounting policy for rehabilitation is based on internal estimates. Assumptions, based on the current economic environment, have been made which management believes are a reasonable basis upon which to estimate the future liability. These estimates take into account any material changes to the assumptions that occur when reviewed regularly by management.

Estimates are reviewed annually and are based on current regulatory requirements. Significant changes in estimates will result in changes to provisions from period to period. Actual rehabilitation costs will ultimately depend on future market prices for the rehabilitation costs which will reflect the market conditions at the time when the rehabilitation costs are actually incurred.

vi) Determination of going concern assumption

The preparation of these financial statements requires management to make judgments regarding the going concern of the Company as previously discussed.

OTHER INFORMATION

Outstanding Share Data

a) Authorized

Unlimited common shares, without par value.
Unlimited preferred shares, without par value.

b) Issued

As at November 19, 2021 28,615,385 common shares of the Company are issued and outstanding.

No preferred shares have been issued from incorporation to November 19, 2021.

Stock options

As of November 19, 2021, Scotch Creek had 2,710,000 outstanding stock options, 1,400,000 of which have an exercise price of $0.08 and an expiry date of July 15, 2023, 660,000 of which have an exercise price of $0.50 and an expiry date of September 9, 2023, 450,000 of which have an exercise price of $0.45 and an expiry date of March 2, 2024, and 200,000 of which have an exercise price of $0.89 and an expiry date of July 12, 2024.

Warrants

As of November 19, 2021, Scotch Creek had 6,910,757 outstanding warrants, all of which have an exercise price of $0.50 and an expiry date of April 26, 2023.

Escrowed shares

Of a total of 3,700,001 common shares subject to escrow, 555,001 remain held in escrow as at September 30, 2021 (December 31, 2020 – 1,110,001), which will be released at a rate of 15% every 6 months from the starting date of December 28, 2018.

RISKS AND UNCERTAINTIES

Limited Operating History

The Company is in the early stages of mineral property exploration and development. As a result, it is difficult to evaluate the Company's prospects, and its future success is more uncertain than if it had a longer or more proven history of operations.

History of Losses

The Company has incurred net losses every period since inception and as of September 30, 2021, had an accumulated deficit of $2,230,749.

No History of Dividends

Since incorporation, the Company has not paid any dividends and does not expect to pay such dividends in the foreseeable future, as all available funds will be invested primarily to finance its mineral exploration programs. The Company will need to achieve profitability prior to any dividends being declared.

Dilution

The Company does not generate any revenues from operating and does not have sufficient financial resources to undertake by itself all of its planned activities. The Company has limited financial resources and has financed its operations primarily through the sale of securities such as common shares. The Company will need to continue its reliance on the sale of such securities for future financing, resulting in dilution to the Company's existing shareholders.

Capital and Liquidity Risk

The amount of financial resources available to invest for the enhancement of shareholder value is dependent upon the size of the treasury, profitable operations, and a willingness to utilize debt and issue equity.

Due to the size of the Company, financial resources are limited and if the Company exceeds growth expectations or finds investment opportunities it may require debt or equity financing. There is no assurance that the Company will be able to obtain additional financial resources that may be required to successfully finance transactions or compete in its markets on favourable commercial terms.

Dependence on Key Personnel

Loss of certain members of the executive team or key operational leaders of the company could have a disruptive effect on the implementation of the Company's business strategy and the efficient running of day-to-day operations until their replacement is found. Recruiting personnel is time consuming and expensive and the competition for professionals is intense.

The Company may be unable to retain its key employees or attract, assimilate, retain or train other necessary qualified employees, which may restrict its growth potential.

Management and Directors

There were no changes to the Scotch Creek management or its board of directors during the nine months ended September 30, 2021, or subsequently to November 19, 2021.