TOCVAN VENTURES CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED AUGUST 31, 2019

The following Management Discussion and Analysis ("MD&A") of Tocvan Ventures Corp. (the "Company" or "Tocvan") has been prepared by management, in accordance with the requirements of National Instrument 51-102 as of December 30, 2019, and should be read in conjunction with the financial statements for the year ended August 31, 2019 and the related notes contained therein which have been prepared under International Financial Reporting Standards ("IFRS"). The information contained herein is not a substitute for detailed investigation or analysis on any particular issue. The information provided in this document is not intended to be a comprehensive review of all matters and developments concerning the Company. The Company is presently a "Venture Issuer" as defined in NI 51-102.

All financial information in this MD&A has been prepared in accordance with IFRS and all dollar amounts are quoted in Canadian dollars, the reporting and functional currency of the Company, unless specifically noted.

Additional information related to the Company is available for view on SEDAR at www.sedar.com.

Forward Looking Statements

Certain information included in this discussion may constitute forward-looking statements. Readers are cautioned not to put undue reliance on forward-looking statements. These statements relate to future events or the Company's future performance, business prospects or opportunities. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These forward-looking statements include statements regarding the future price of metals, the timing and amount of estimated future production, costs of production, capital expenditures, the success of exploration activities, permitting time lines, currency fluctuations, the requirements of future capital, drill results and the estimation of mineral resources and reserves. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements contained in this report should not be unduly relied upon. These statements speak only as of the date of this report. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this report. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about general business and economic conditions; the supply and demand for, deliveries of, and the level and volatility of prices of iron ore and other commodities; the availability of financing for the Company's exploration programs; the ability to procure equipment and operating supplies in sufficient quantities and on a timely basis; and the ability to attract and retain skilled staff.

These forward-looking statements involve risks and uncertainties relating to, among other things, changes in commodity and, particularly, iron ore prices, access to skilled mining development personnel, results of exploration and development activities, uninsured risks, regulatory changes, defects in title, availability of materials and equipment, timeliness of government approvals, actual performance of facilities, equipment and processes relative to specifications and expectations and unanticipated environmental impacts on operations. Actual results may differ materially from those expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to, the risk factors hereinabove. Additional risk factors are described in more detail hereinafter. **Investors should not place undue reliance on forward-looking statements as the plans, intentions or expectations upon which they are based might not occur. The Company cautions that the foregoing list of important factors is not exhaustive. Investors and others who base themselves on the Company's forward-looking statements should carefully consider the above factors as well as the uncertainties they represent and the risk they entail. The forward-looking statements contained in this report are expressly qualified by this cautionary statement.** The Company intends to discuss in its quarterly and annual reports referred to as the Company's management's discussion and analysis documents, any events and circumstances that occurred during the period to which such document relates that are reasonably likely to cause actual events or circumstances to differ materially from those disclosed in this management discussion and analysis.

Qualified Person

Brodie Sutherland, P.Geo, a director of the Company, is a Qualified Person as defined in National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* and has reviewed and approved all technical information in this management discussion and analysis.

Description of Business

Tocvan Ventures Corp. (the "Company") is focused on the exploration and development of its two properties Rogers Creek property ("Rogers Creek") and the recently purchased the Pilar Gold Project ("Pilar Project"). Rogers Creek is located in the Lower Lillooet River valley, approximately 90 km northeast of Vancouver, and 28 km south of Pemberton. It consists of 47 contiguous claims totalling 212 square kilometres. Pilar is located near the town of Suaqui Grande in Sonora, Mexico. Pilar consists of two concessions, the Guadaloupana concession and the La Sonora concession, totaling 105 hectares.

Rogers Creek consists of four target areas that show significant surface exposures of copper, gold and silver mineralization. The Company has not yet determined whether Rogers Creek contain ore reserves that are economically recoverable. The recoverability of amounts shown for mineral properties and related deferred exploration costs is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the development, and upon future profitable production from the mineral properties or proceeds from the disposition of the mineral properties.

Overall Performance

For the year ended August 31, 2019, the company incurred a net loss of $160,838.

For the three months ended August 31, 2019, the company incurred a net loss of $48,076. For the period from inception (May 23, 2018) to August 31, 2018, the Company incurred a net loss of $18,152. In the fourth quarter or 2019 $69,720 in expenses were reclassified from legal fees ($25,175) and stock based compensation ($44,545) to share capital, resulting in a gain in the three months ended August 31, 2019. These fees were originally booked in the first and second quarter of the year.

The Company had no revenues and the expenses were incurred primarily in the set up and financing of the company.

The Company acquired an 80% interest in the Rogers Creek property pursuant to the terms of an option agreement, which include: paying the optionor $25,000 in cash, issuing 1.3 million shares and completing $1.9 million in exploration over four years. On March 1, 2019 the Company made the $25,000 cash payment and on March 7, 2019 the Company issued 500,000 common shares.

At August 31, 2019, the Company had cash of $249,602 and working capital of $219,917. To date, the Company's sole source of financing has been derived from the issuance of common shares.

On May 23, 2018 the Company issued 1,250,000 common shares at a price of $0.005 per share for gross proceeds of $6,250.

On July 24, 2018 the Company issued 2,650,000 common shares at $0.02 per share for proceeds of $53,000.

On August 15, 2018 the Company issued 725,000 common shares at $0.02 per share for proceeds of $14,500.

On October 15, 2018 the Company issued 200,000 common shares at $0.02 per share for proceeds of $4,000.

On February 28, 2019 the Company issued 5,000,000 common shares at $0.10 per share for proceeds of $500,000.

On March 7, 2019 the Company issued 500,000 commons shares as payment on the Rogers Creek property option, at a value of $0.12 per share for a cost of $60,000.

On October 28, 2019 the Company issued 25,000 when 25,000 agent warrants at $0.10 per warrant were exercised for total proceeds of $2,500.

On October 30, 2019 the Company issued 14,250 when 14,250 agent warrants at $0.10 per warrant were exercised for total proceeds of $1,425.

On November 4 2019, the Company issued when 212,500 212,500 options at $0.10 per option were exercised by directors of the company for total proceeds of $21,250.

On November 6 2019, the Company issued 135,000 when 135,000 options at $0.10 per option were exercised by directors of the company for total proceeds of $13,500.

On November 12 2019, the Company issued 135,000 when 135,000 options at $0.10 per option were exercised by directors of the company for total proceeds of $13,500.

On November 25 2019, 2,000,000 shares were issued at a fair value of $0.13 per share as payment on completion of due diligence on the Pilar property pursuant to the Property Option Agreement dated September 22, 2019 between the Company and Colibri Resource Corp. $100,000 was also paid in association with this agreement.

On November 26, 2019, 28,250 shares were issued when 28,250 agent warrants at $0.10 per warrant were exercised for total proceeds of $2,825.

Commitments

Rogers Creek Property

To acquire the 80% interest in Rogers Creek the Company must:

(i) pay $25,000 to the Vendor within five days after being listed on the CSE (paid March 1, 2019);
(ii) issue a total of 500,000 common shares to the Vendor on the listing date (issued March 7, 2019); and

In order to maintain the Option granted to it in force, and to exercise the Option, Tocvan must incur the following expenditures for the purposes of developing Rogers Creek:

(i) issue 200,000 Common Shares to Carube, and complete $100,000 in exploration within 30 days of the first anniversary of the Listing Date;
(ii) issue 200,000 Common Shares to Carube, and complete $300,000 in exploration within 30 days of the second anniversary of the Listing Date;
(iii) issue 200,000 Common Shares to Carube and complete $400,000 in exploration within 30 days of the third anniversary of the Approval Date.
(iv) issue 200,000 Common Shares to Carube and complete $1,000,000 in exploration within 30 days of the fourth anniversary of the Approval Date.

If the Company determines that Rogers Creek is not economically viable after assessing the results of the first year's $100,000 exploration expenditure, at the Company's sole discretion, it can terminate the option to purchase by giving written notice to Carube at least 30 days before the first anniversary.

The Optionee shall be responsible for keeping Rogers Creek in good standing including the filing of required assessment work and completing regulatory work expenditures or making cash payments in lieu of work.

Pilar Gold Project

To acquire 51% of the Pilar Project in the state of Sonora, Mexico the Company must.
Pay a deposit to Colibri Resource Corp. (an unrelated party) of $25,000 (paid September 18, 2019).
After satisfactory due diligence is completed, should the Company decide to proceed, they will advance Colibri an additional $100,000 and issue Colibri 2,000,000 treasury shares. The Company will then have 12 months to perform their year one work commitment of $250,000.

The Company will have five years to fulfill its commitment under the option agreement. With payments, work commitments and share issuances as follows by each anniversary date:

	Cash payment	exploration work	Shares
Anniversary 1	$100,000	$250,000	2,000,000
Anniversary 2	$75,000	$350,000	
Anniversary 3	$75,000	$400,000	1,000,000
Anniversary 4	$75,000	$500,000	1,000,000
Anniversary 5	$75,000	$500,000	1,000,000

Once the Company has fulfilled the above commitments it will have earned into a 51% interest in the property and will have a six-month option to decide to purchase the remaining 49% interest in the property or establish a joint venture agreement with Colibri. The option to acquire the additional interest will require a $2,000,000 cash payment and granting Colibri a 2% NSR. 1% of which can be repurchased for an additional cash payment of $1,000,000.

Selected Annual Information

The Company is providing the following selected information with respect to the Company's audited financial statements for the fiscal years ended August 31, 2019 and the period from inception (May 23, 2018) to August 31, 2018. The audited financial statements for this fiscal period was prepared in accordance with International Financial Reporting Standards and is expressed in Canadian dollars.

	Year ended August 31, 2019	**Period from inception (May 23, 2018) to August 31, 2018**
Total Revenue	$ –	$ –
Operating Expenses	(160,838)	(18,152)
Net Loss	(160,838)	(18,152)
Basic and Diluted Loss Per Share	$ (0.02)	$ (0.01)

	As at August 31, 2019	**As at August 31, 2018**
Balance Sheet Data		
Total assets	$ 381,300	$ 69,598
Total liabilities	41,367	14,000
Total equity (deficit)	$ 339,933	$ 55,598

Results of Operations

During the year ended August 31, 2019, the Company incurred a net loss of $160,838 (Period from inception (May 23, 2018) to August 31, 2018 – $18,152). The expenses for the year ended August 31, 2019 include the following items:

	Year ended August 31, 2019	Period from Inception (May 23, 2018) to August 31, 2018
• Advertising and promotion	$ 10,000	$ 1,000
• Audit and accounting	$ 16,971	$ 8,000
• Consulting	$ 36,000	$ 3,000
• Legal fees	$ 10,393	$ 3,000
• Registration and transfer fees	$ 48,011	$ nil
• Stock based compensation	$ 8,872	$ nil

The increase in expenses was primarily due to increased activity in exploration of the Rogers Creek project and with respect to the initial public offering completed in February of 2019.

Exploration Project

Total costs incurred on exploration and evaluation assets are summarized as follows:

year ended August 31, 2019:	**Rogers Creek Project**	**Total**
Acquisition costs:		
Balance, beginning of year	$ –	$ –
Shares issued	60,000	60,000
Cash	25,000	25,000
Balance, end of period	85,000	85,000
Deferred exploration expenditures:		
Balance, beginning of the year	$ 6,643	$ 6,643
Geologist fees and assays	28,373	28,373
Balance, end of period	35,016	35,016
	$ 120,016	**$ 120,016**

Period from inception (May 23, 2018) to August 31, 2018:	**Rogers Creek Project**	**Total**
Acquisition costs:		
Balance, beginning of year	$ –	$ –
Balance, end of period	$ –	$ –
Deferred exploration expenditures:		
Balance, beginning of the year	$ –	$ –
Geologist fees and assays	6,643	6,643
Balance, end of period	6,643	6,643
	$ 6,643	**$ 6,643**

Project Update

Rogers Creek

Tocvan commissioned a new 43-101 technical report in June of 2018 from a qualified person Brian Fowler PGeo. On July 27, 2018, a 1-day site visit to the Rogers Creek Property was carried out by the author of the report in the company of Carube's Exploration Manager Shannon Baird and Tocvan President and CEO Derek Wood.

The report was received on August 17th. The report was extremely encouraging and management is taking the report under advisement and budgeting a work program in order to advance the project utilizing the report's findings and recommendations.

The following excerpt is taken from the report itself:

Work to date has advanced Rogers Creek from a small showing discovered on a logging road in 2007 to an advanced exploration stage property with evidence for a large mineralized system. This has validated the initial working hypothesis that

there is considerable potential to discover significant mineralization within the Miocene age intrusions of the Cascade Magmatic Arc in southwestern BC, which have seen very little modern exploration.

Porphyry related alteration and mineralization has been identified in 4 areas on the Rogers Creek Property. The most extensive zone of alteration/mineralization has been identified in Target Areas I and II within a 6 km x 2 km zone which exhibits widespread propylitic (pyrite-carbonate-chlorite-epidote) alteration. Several stages and styles of mineralization typical of porphyry systems are present within this zone and have been observed both in surface outcrop and in drill core.

The most interesting mineralization was observed in drill hole MRC-007 (the last hole in the 2011program), which intersected 380 ppm Cu over 150.9 m from 345.60 to 496.50 m. Drill testing of coincident geological and geophysical targets at Target have now been prioritized.

Based on the reports finding and recommendations Tocvan management has now planned the following in order to both advance Rogers Creek and satisfy Tocvan's initial work commitment under the terms of Rogers Creek option agreement:

- Work program - ground IP survey
- Processing of IP Geophysical data to expand Target 1 to the north
- relogging of old core
- mapping and soil sampling
- Potential for small drill program (~1500m) in 2019, focused on Target 1 area

Pilar Gold Project

The Pilar Gold Project consists of low-sulfidation epithermal mineralization in a highly fractured, altered, and highly oxidized volcanic host rock. Metallurgical testing has shown an average recovery of 92% over three separate tests including both high and low grades. Work to date has included.

- Approximately 2,650m of Channel/trench Sampling.
- Channel cut samples have returned values up to 55g/t Au over 3m, and 28.6g/t Au over 6m, and 3.39 g/t Au over 50m.
- Soil sample testing in undrilled areas yielded results indicating additional mineralized warrant additional testing and possibly drilling.& RC drilling.

Summary of Quarterly Results

The following sets out a summary of the Company's quarterly results for the eight most recently completed quarters. All periods listed below were prepared in accordance with International Financial Reporting Standards and are expressed in Canadian dollars.

	Three months ended August 31, 2019	Three months ended May 31, 2019	Three months ended Feb 28, 2019	Three months ended November 30, 2018
Total assets	$ 381,301	412,902	$ 433,373	$ 37,687
Working capital	219,917	269,474	352,696	5,068
Shareholders' equity	339,933	361,577	359,339	11,711
Net (gain) loss	(48,076)	55,381	96,774	56,759
(Gain) loss per share	(0.00)	(0.01)	(0.02)	(0.01)

	Period from May 23, 2018 (inception) to August 31, 2018
Total assets	$ 69,598
Working capital	48,955
Shareholders' equity	55,598
Net loss	18,152
Loss per share	(0.01)

In the fourth quarter $69,720 in expenses were reclassified from legal fees ($25,175) and stock based compensation ($44,545) to share capital, resulting in a gain in the three months ended August 31, 2019. These fees were originally booked in the first and second quarter of the year.

Liquidity and Capital Resources

To date, the Company has not yet realized profitable operations and has relied on equity financings and trade credit to fund the losses. The Company does not have sufficient funds to satisfy its exploration expenditure plans for the current fiscal year and will be required to raise capital through the equity market.

These financial statements have been prepared assuming the Company will continue on a going-concern basis. The Company has incurred losses since inception and the ability of the Company to continue as a going-concern depends upon its ability to develop profitable operations and to continue to raise adequate financing. Management is actively targeting sources of additional financing through alliances with financial, exploration and mining entities, or other business and financial transactions which would assure continuation of the Company's operations and exploration programs. In order for the Company to meet its liabilities as they come due and to continue its operations, the Company is solely dependent upon its ability to generate such financing.

	August 31, 2019	August 31, 2018
Working capital	$ 219,917	$ 48,955
Deficit	$ 178,990	$ 18,152

Net cash used in operating activities during the year ended August 31, 2019, was $145,103 (May 23, 2018 (inception) to August 31, 2018, $6,476). The decrease in cash from operating activities for the period was due, primarily, to a loss of $160,838 (May 23, 2018 (inception) to August 31, 2018, $18,152), which was offset by an increase in accounts payable and accrued liabilities of $6,889 (May 23, 2018 (inception) to August 31, 2018, $14,000) and by non cash stock based compensation of $8,872 (May 23, 2018 (inception) to August 31, 2018, $nil).

Net cash provided by financing activities during the year ended August 31, 2019 was $376,301 (May 23, 2018 (inception) to August 31, 2018, $73,750).

Net cash used in investing activities during the year ended August 31, 2019 was $42,228 (May 23, 2018 (inception) to August 31, 2018, $6,643).

There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. If adequate financing is not available when required, the Company may be unable to continue operating. The Company may seek such additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests.

The Company has insufficient funds to cover anticipated administrative expenses and continue to conduct exploration activities throughout the current fiscal year. It will continue to focus on actively exploring its mineral property.

Related Party Transactions

During the year ended August 31, 2019, a director was paid or accrued $10,000 for exploration expenses (August 31, 2018, $nil)

During the period ended August 31, 2018, the Company issued 1,250,000 common shares to directors of the Company, at a price of $0.005 for proceeds of $6,250.

During the period ended August 31, 2018,, the Company issued 500,000 common shares to directors of the Company, at a price of $0.02 for proceeds of $10,000.

At August 31, 2019, $7,636 had been prepaid to the Company's CEO as an advance on expenses (August 31, 2018, $nil). These amounts are unsecured, non-interest bearing and due on demand.

At August 31, 2019, $9,333 was owed to a director of the Company for consulting expenses. (August 31, 2018, $nil). These amounts are unsecured, non-interest bearing and due on demand.

At August 31, 2019, $1,102 was owed to the Company by a company that is controlled by a director of the Company. (August 31, 2018, $nil). These amounts are unsecured, non-interest bearing and due on demand.

On October 16, 2018 the Company issued 482,500 options to purchase common shares to directors of the Company per the table below. The options are exercisable at a price of $0.10. The options can be exercised before October 16, 2023. Subsequent to the year end these options were exercised.

Optionee Name	**Options Granted**
Derek Wood	135,000
Brodie Sutherland	135,000
Greg Ball	62,500
Mark Smethust	150,000
Total	482,500

At August 31, 2019 $7,636 had been prepaid to the Company's CEO as an advance on expenses.

At August 31, 2019 $9,333 was owed to a director of the Company for exploration expenses.

At August 31, 2019 $1,102 was owed to the Company by a company that is controlled by a director of the Company.

On October 26, 2019, the Company granted 550,000 fully vested stock options to certain directors and officers of the Company and to consultants which entitle the holder to purchase one common share for each option held at a price of $0.15 per share up to October 24, 2024.

Optionee Name	**Options Granted**
Derek Wood	150,000
Brodie Sutherland	150,000
Greg Ball	50,000
Mark Smethust	150,000
Fidel Montague	25,000
Sally Elliott	25,000
Total	550,000

On November 4 2019, 212,500 options at $0.10 per option were exercised by directors of the company for total proceeds of $21,250.

On November 6 2019, 135,000 options at $0.10 per option were exercised by directors of the company for total proceeds of $13,500.

On November 12 2019, 135,000 options at $0.10 per option were exercised by directors of the company for total proceeds of $13,500.

Changes in Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in the financial statements.

The financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit or loss, which are stated at their fair value. In addition, the financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The financial statements of the Company are presented in Canadian dollars unless otherwise indicated, which is the functional currency of the Company.

Significant Accounting Policies

a) Statement of compliance and basis of presentation

These financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

These financial statements have been prepared on a historical cost basis. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The financial statements of the Company are presented in Canadian dollars unless otherwise indicated, which is the functional currency of the Company.

b) Use of Estimates

The preparation of the financial statements in accordance 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 amount of expenses during the reporting period. Significant areas requiring the use of management estimates relate to the determination of impairment of exploration and evaluation assets and deferred exploration costs, share-based payments and future income tax valuation allowance.

Significant assumptions about the future and other sources of estimated uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to the following:

1) the carrying value and the recoverability of exploration and evaluation assets, which are included in the statements of financial position,

2) the inputs used in the accounting for the deferred tax liability,

3) the inputs used in the accounting for stock-based payment expense included in profit or loss.

Actual results could differ from these estimates.

c) Cash

The Company considers all highly liquid instruments with a maturity of three months or less when purchased, or which are redeemable at the option of the Company, to be cash equivalents.

d) Exploration and evaluation assets

Pre-exploration costs are expensed in the period in which they are incurred.

Once the legal right to explore a property has been acquired, all costs related to the acquisition, exploration and evaluation of mineral properties are capitalized by property. These direct expenditures include such costs as materials used, surveying costs, drilling costs, payments made to contractors and depreciation on plant and equipment during the exploration phase. Costs not

directly attributable to exploration and evaluation activities, including general and administrative overhead costs, are expensed in the period in which they occur.

The Company may occasionally enter into farm-out arrangements, whereby the Company will transfer part of a mineral interest, as consideration, for an agreement by the farmee to meet certain exploration and evaluation expenditures which would have otherwise been undertaken by the Company. The Company does not record any expenditures made by the farmee on its behalf. Any cash consideration received from the agreement is credited against the costs previously capitalized to the mineral interest given up by the Company, with any excess cash accounted for as a gain on disposal.

When a project is deemed to no longer have commercially viable prospects to the Company, exploration and evaluation expenditures in respect of that project are deemed to be impaired. As a result, those exploration and evaluation expenditure costs, in excess of estimated recoveries, are written off to profit or loss. The Company assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as "mines under construction." Exploration and evaluation assets are also tested for impairment before the assets are transferred to development properties.

As the Company currently has no operational income, any incidental revenues earned in connection with exploration activities are applied as a reduction to capitalized exploration costs.

e) Income Taxes

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purpose. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantially enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

f) Impairment

The carrying amounts of the Company's non-financial assets, other than deferred tax assets if any, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit" or "CGU"). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

The Company's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. A reversal of an impairment loss is recognized immediately in profit or loss.

g) Provision for closure and reclamation

The Company recognizes statutory, contractual or other legal obligations related to the retirement of its exploration and evaluation assets and its tangible long-lived assets when such obligations are incurred, if a reasonable estimate of fair value can be made. These obligations are measured initially at fair value and the resulting costs are capitalized to the carrying value of the related asset. In subsequent periods, the liability is adjusted for any changes in the amount or timing and for the discounting of the underlying future cash flows. The capitalized asset retirement cost is amortized to operations over the life of the asset. Management has determined that there was no provision required for closure and reclamation as at August 31, 2019.

h) Share-based payment

The Company applies the fair value method to share-based payments and all awards that are direct awards of stock, that call for settlement in cash or other assets or are stock appreciation rights that call for settlement by the issuance of equity instruments. Share-based payment expense is recognized over the applicable vesting period with a corresponding increase in equity reserves. When the options are exercised, the exercise price proceeds together with the amount initially recorded in equity reserves are credited to share capital.

i) Basic and diluted loss per share:

Basic loss per share is computed by dividing the loss available to common shareholders by the weighted average number of common shares outstanding during the year. The computation of the diluted earnings per share assumes the conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on the earnings per share. The dilutive effect of convertible securities is reflected in diluted earnings per share by application of the "if converted" method. The dilutive effect of outstanding options and warrants and their equivalents is reflected in diluted earnings per share by application of the treasury stock method. Since the Company has losses the exercise of outstanding options has not been included in this calculation as it would be anti-dilutive.

j) Flow-through Shares

The Company will, from time to time, issue flow-through common shares to finance a significant portion of its exploration program. Pursuant to the terms of flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital. Upon expenses being incurred, the Company derecognizes the liability and the premium is recognized as other income.

k) Share Issue Costs

Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred financing costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise they are expensed as incurred. Share issue costs are charged to share capital when the related shares are issued. Deferred financing costs related to financing transactions that are not completed are charged to operations.

l) Financial Instruments

Financial assets:
All financial assets are initially recorded at fair value and designated upon inception into one of the following four categories: held to maturity, available for sale, loans and receivables or at fair value through profit or loss ("FVTPL").

Financial assets classified as FVTPL are measured at fair value with unrealized gains and losses recognized through profit or loss. The Company's cash is classified as FVTPL.

Financial assets classified as loans and receivables and held to maturity assets are measured at amortized cost. Financial assets classified as available for sale are measured at fair value with unrealized gains and losses recognized in other comprehensive income and loss except for losses in value that provide objective evidence of impairment, which are recognized in earnings. The Company's investments are classified as available-for-sale and its receivables are classified as loans and receivables.

Transaction costs associated with FVTPL financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

Financial liabilities:

All financial liabilities are initially recorded at fair value and designated upon inception as FVTPL or other financial liabilities.

Financial liabilities classified as other financial liabilities are initially recognized at fair value plus directly attributable transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized costs using the effective interest rate method. The effective interest rate method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period or, where appropriate, a shorter period. The Company's financial liabilities consist of accounts payable, accrued liabilities and due to related parties, which are classified as other liabilities.

Financial liabilities classified as FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Derivatives, including embedded derivatives, are also classified as held for trading and recognized at fair value with changes in fair value recognized in earnings unless they are designated as effective hedging instruments. Fair value changes on financial liabilities classified as FVTPL are recognized in profit or loss.

Impairment of financial assets:

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the investments have been impacted.

For all financial assets objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organization.

For certain categories of financial assets, such as receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. The carrying amount of financial assets is reduced by the impairment loss directly for all financial assets with the exception of receivables, where the carrying amount is reduced through the use of an allowance account. When a receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date of impairment is reversed does not exceed what the amortized cost would have been had the impairment not be recognized.

m) Comparative figures

Certain comparative figures have been reclassified to conform with the current year's presentation.

Financial Instruments

Fair Values

The Company's financial instruments consist of cash, accounts payable and accrued liabilities and due to related parties. The fair values of these financial instruments approximate their carrying values because of their current nature.

The following table summarizes the carrying values of the Company's financial instruments:

	August 31, 2019	August 31, 2018
Fair value through profit or loss (i)	$ 260,934	$ 62,955
Other financial liabilities (ii)	41,367	14,000

(i) Cash, amounts receivable and amounts due from related parties
(ii) Accounts payable and accrued liabilities, and amounts due to related parties

Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high credit quality financial institution.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage as outlined above.

The Company monitors its ability to meet its short-term exploration and administrative expenditures by raising additional funds through share issuances when required. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. The Company does not have investments in any asset backed deposits.

Foreign Exchange Risk

Foreign exchange risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in foreign exchange rates. The Company, has exposure to foreign exchange risk as the success fee liability (note 10) is denominated in Euros.

Interest Rate Risk

The Company is not exposed to significant interest rate risk.

Price risk

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors the commodity prices of precious metals and the stock market to determine the appropriate course of action to be taken by the Company

Adopted and Future Accounting Standards

New accounting policies adopted

Effective for annual periods beginning on or after January 1, 2018:

IFRS 9, Financial Instruments – Classification and Measurement
IFRS 9 is a new standard on financial instruments that will replace IAS 39, *Financial Instruments: Recognition and Measurement.*
IFRS 9 addresses classification and measurement of financial assets and financial liabilities as well as derecognition of financial instruments. IFRS 9 has two measurement categories for financial assets: amortized cost and fair value. All equity

instruments are measured at fair value. A debt instrument is at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is at fair value through profit or loss.

IFRS 15, Revenue from Contracts with Customers
IFRS 15 is a new standard to establish principles for reporting the nature, amount, timing, and uncertainty of revenue and cash flows arising from an entity's contracts with customers. It provides a single model in order to depict the transfer of promised goods or services to customers. IFRS 15 supersedes IAS 11, *Construction Contracts*, IAS 18, *Revenue*, IFRIC 13, *Customer Loyalty Programs*, IFRIC 15, *Agreements for the Construction of Real Estate*, IFRIC 18, *Transfers of Assets from Customers*, and SIC-31, *Revenue – Barter Transactions involving Advertising Service*.

The adoption of the above standards did not have an impact on the financial statements

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements as at August 31, 2019.

Additional Disclosure for Venture Issuers without Significant Revenue

Please refer to Note 4 in the financial statements for the year ended August 31, 2019 for a description of the capitalized exploration and development costs on the Rogers Creek property. For a description of the general and administrative expenses, please refer to the statement of comprehensive loss contained in the financial statements for the year ended August 31, 2019.

Outstanding Share Data

The following table summarizes the outstanding share capital as of the date of the MD&A:

	Number of shares issued or issuable
Common shares	12,875,000
Stock options	550,000
Warrants	5,500,000

Business Risks

Natural resources exploration, development, production and processing involve a number of business risks, some of which are beyond the Company's control. These can be categorized as operational, financial and regulatory risks.

- Operational risks include finding and developing reserves economically, marketing production and services, product deliverability uncertainties, changing governmental law and regulation, hiring and retaining skilled employees and contractors and conducting operations in a cost effective and safe manner. The Company continuously monitors and responds to changes in these factors and adheres to all regulations governing its operations. Insurance may be maintained at levels consistent with prudent industry practices to minimize risks, but the Company is not fully insured against all risks, nor are all such risks insurable.

- Financial risks include commodity prices, interest rates and the Canada / United States exchange rate, all of which are beyond the Company's control.

- Regulatory risks include the possible delays in getting regulatory approval to the transactions that the Board of Directors believe to be in the best interest of the Company, and include increased fees for filings, the introduction of ever more complex reporting requirements the cost of which the Company must meet in order to acquire and maintain its exchange listing.

- The Company currently does not have adequate cash for planned exploration expenditures and general and administrative expenses in the next fiscal year and will require financing in the future to continue in business. There

can be no assurance that such financing will be available or, if available, that it will be on reasonable terms. If financing is obtained by issuing common shares from treasury, control of the Company may change and investors may suffer additional dilution. To the extent financing is not available, lease payments, work commitments, rental payments and option payments, if any, may not be satisfied and could result in a loss of property ownership or earning opportunities for the Company.

Internal Controls over Financial Reporting

Management has designed internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Lack of optimal segregation of duties has been observed due to the relatively small size of the Company, but management believes that these weaknesses have been adequately mitigated through management and director oversight.

Management's Responsibility for Financial Statements

The information provided in this report, including the financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the financial statements.

Further Information

Additional information relating to the Company can be found on SEDAR at www.sedar.com.