TOCVAN VENTURES CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE THREE AND SIX MONTHS ENDED FEBRUARY 28, 2021

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 April 26, 2021, and should be read in conjunction with the interim condensed financial statements for the three and six months ended February 28, 2021 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 Pilar Gold Project ("Pilar"). 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, totalling 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.

The Pilar property shows NW-SE trends of gold and silver mineralization with significant grades in several locations. The Company has not yet determined whether The Pilar property contains 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 three and six months ended February 28, 2021 and 2019, the company incurred a net loss of $761,856 (2020 - $604,441).

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 $1.7 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. On June 4, 2020, 200,000 were issued as payment on the Rogers Creek property.

At February 28, 2021, the Company had cash of $337,658 and working capital of $223,877. To date, the Company's sole source of financing has been derived from the issuance of common shares.

During the six months ended February 28, 2021 the following shares were issued:

1,000,000 shares were issued as payment on the Pilar property at a deemed price of $0.48 per share pursuant to the Property Option Agreement dated September 22, 2019 and amended February 28, 2021 between the Company and Colibri. $125,000 in cash was also paid pursuant to this agreement.

40,250 units were issued when 40,250 warrants at $0.10 per warrant were exercised for total proceeds of $$4,025. Each unit consisted of one common share and one warrant exercisable at $0.20 until February 28, 2022.

575,000 shares were issued when 575,000 options at $0.15 per option were exercised for total proceeds of $86,250.

306,660 shares were issued when 306,660 warrants at $0.20 per warrant were exercised for total proceeds of $61,332.

175,000 shares were issued when 175,000 options at $0.22 per option were exercised for total proceeds of $38,500.

582,024 shares were issued when 582,024 warrants at $0.30 per warrant were exercised for total proceeds of $174,607.

Subsequent to the quarter end 14,900 shares were issued when 14,900 warrants at $0.20 per warrant were exercised for total proceeds of $2,980.

Subsequent to the quarter end 939,000 shares were issued when 939,000 warrants at $0.30 per warrant were exercised for total proceeds of $281,700.

On March 31, 2021, the Company completed a private placement and issued 1,244,668 units at $0.60 per unit for gross proceeds of $746,801. Each unit consisted of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one additional common share at a price of $0.75 per share until September 30, 2022.

In connection with the private placement, the Company paid share issuance costs of $49,960 in professional fees and issued 83,267 finders warrants to purchase 83,267 shares at a price of $0.60 per share. The Company calculated share issuance costs of $21,419 using the Black Scholes option pricing model with the following assumptions: Share price - $0.55; Exercise price - $0.60; Expected life – 1.5 years; Expected volatility – 135%; risk free interest rate – 0.22%. The finders warrants are exercisable until September 30, 2022.

During the year ended August 31, 2020 the following shares were issued:

During the year ended August 31, 2020 387,310 units were issued when 387,310 agent warrants at $0.10 per warrant were exercised for total proceeds of $38,731. Each unit consisted of one share and one share purchase warrant exercisable at $0.20 per warrant for one share. In relation, $34,505 was reclassified from reserves to share capital.

During the year ended August 31, 2020, 482,500 shares were issued when 482,500 options at $0.10 per option were exercised by directors of the company for total proceeds of $48,250. (Note 6)

On November 25 2019, 2,000,000 shares were issued at a fair value of $0.13 per share (total value of $260,000) 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. (Note 3)

On February 13, 2020, the Company completed a private placement and issued 4,745,867 units at $0.15 per unit for gross proceeds of $711,880. Each unit consisted of one common share and one half of a share purchase warrant. Each full share purchase warrant entitles the holder to purchase one additional common share at a price of $0.30 per share until August 13, 2021.

In connection with the private placement, the Company paid share issuance costs of $37,747 in professional fees and issued 243,883 finders warrants to purchase 243,883 shares at a price of $0.30 per share. The Company calculated share issuance costs of $19,064 using the Black Scholes option pricing model with the following assumptions: Share price - $0.20; Exercise price - $0.30; Expected life – 1.5 years; Expected volatility – 107%; risk free interest rate – 1.32%. The finders warrants are exercisable until August 13, 2021.

During the year ended August 31, 2020, 4,830,250 shares were issued when 4,830,250 warrants at $0.20 per warrant were exercised for total proceeds of $966,050. Each unit consisted of one share and one share purchase warrant exercisable at $0.20 per warrant for one share.

On June 4, 2020, 200,000 shares were issued at a fair value of $0.20 per share (total value of $40,000) as payment on the Rogers Creek property pursuant to the Property Option Agreement dated May 23, 2018 between the Company and Carube Copper Corp.

During the year ended August 31, 2020 the following options were granted:

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.

In connection with this grant, the Company calculated stock-based compensation of $79,301 using the Black Scholes option pricing model with the following assumptions: Share price - $0.15; Exercise price - $0.15; Expected life – 5 years; Expected volatility – 183.5%; risk free interest rate – 1.46%.

On December 1, 2019, the Company granted 400,000 fully vested stock options to a director and officer of the Company which entitle the holder to purchase one common share for each option held at a price of $0.15 per share up to December 1, 2024. (Note 6)

In connection with this grant, the Company calculated stock-based compensation of $46,756 using the Black Scholes option pricing model with the following assumptions: Share price - $0.15; Exercise price - $0.15; Expected life – 5 years; Expected volatility – 107.36%; risk free interest rate – 1.64%.

On February 18, 2020, the Company granted 150,000 fully vested stock options to a director of the Company which entitle the holder to purchase one common share for each option held at a price of $0.20 per share up to February 18, 2025.

In connection with this grant, the Company calculated stock-based compensation of $23,306 using the Black Scholes option pricing model with the following assumptions: Share price - $0.20; Exercise price - $0.20; Expected life – 5 years; Expected volatility – 107.36%; risk free interest rate – 1.21%.

On February 20, 2020, the Company granted 175,000 fully vested stock options to a director and certain consultants of the Company which entitle the holders to purchase one common share for each option held at a price of $0.22 per share up to February 20, 2025.

In connection with this grant, the Company calculated stock-based compensation of $29,909 using the Black Scholes option pricing model with the following assumptions: Share price - $0.22; Exercise price - $0.22; Expected life – 5 years; Expected volatility – 107.36%; risk free interest rate – 1.21%.

During the six months ended February 28, 2021 the following options were granted:

On September 11, 2020, the Company granted 500,000 stock options to directors and officers of the Company and consultants which entitle the holder to purchase one common share for each option held at a price of $0.35 per share up to September 11, 2025. The options shall vest over a 21-month period. 25% will become fully exercisable on the anniversary date of grant (September 11, 2021) and 25% every subsequent quarter thereafter.

In connection with this grant, the Company calculated stock-based compensation of $113,405 using the Black Scholes option pricing model with the following assumptions: Share price - $0.39; Exercise price - $0.35; Expected life – 5 years; Expected volatility – 68.11%; risk free interest rate – .36%.

On September 18, 2020, the Company granted 500,000 stock options to directors and officers of the Company and consultants which entitle the holder to purchase one common share for each option held at a price of $0.40 per share up to September 18, 2025. The options shall vest over a 21-month period. 25% will become fully exercisable on the anniversary date of grant (September 18, 2021) and 25% every subsequent quarter thereafter.

In connection with this grant, the Company calculated stock-based compensation of $123,708 using the Black Scholes option pricing model with the following assumptions: Share price - $0.42; Exercise price - $0.40; Expected life – 5 years; Expected volatility – 71.35%; risk free interest rate – .36%.

On December 15, 2020, the Company granted 100,000 stock options to a consultant of the Company which entitle the holder to purchase one common share for each option held at a price of $0.40 per share up to December 15, 2025.

In connection with this grant, the Company calculated stock-based compensation of $34,223 using the Black Scholes option pricing model with the following assumptions: Share price - $0.41; Exercise price - $0.40; Expected life – 5 years; Expected volatility – 123%; risk free interest rate – 0.41%.

On January 19, 2021, the Company granted 150,000 stock options to a director of the Company which entitle the holder to purchase one common share for each option held at a price of $0.35 per share up to January 19, 2026.

In connection with this grant, the Company calculated stock-based compensation of $49,606 using the Black Scholes option pricing model with the following assumptions: Share price - $0.39; Exercise price - $0.35; Expected life – 5 years; Expected volatility – 125%; risk free interest rate – .41%.

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 before May 31, 2020 (issued),
(ii) issue 200,000 Common Shares to Carube, and complete $300,000 in exploration within eight months of the second anniversary of the Listing Date;
(iii) issue 200,000 Common Shares to Carube and complete $400,000 in exploration within eight months of the third anniversary of the Approval Date.
(iv) issue 200,000 Common Shares to Carube and complete $1,000,000 in exploration within eight months 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 was completed, the Company decide to proceed with the purchase and they advanced Colibri an additional $100,000 and issued Colibri 2,000,000 treasury shares. The Company has 12 months from November 21, 2019 to perform the 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
September 21, 2020	$125,000 (paid)	$175,000 (done)	1,000,000 (issued)
September 21, 2021	$25,000	$425,000	1,000,000
September 21, 2022	$75,000	$400,000	1,000,000
September 21, 2023	$75,000	$500,000	1,000,000
September 21, 2024	$75,000	$500,000	

Once the Company has fulfilled the above commitments it will have earned 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 to 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, 2020	**Year ended August 31, 2019**	**Period from inception (May 23, 2018) to August 31, 2018**
Total Revenue	$ –	$ –	$ –
Operating Expenses	(940,914)	(160,838)	(18,152)
Net Loss	(940,914)	(160,838)	(18,152)
Basic and Diluted Loss Per Share	$ (0.06)	$ (0.02)	$ (0.01)

	As at August 31, 2020	**As at August 31, 2019**	**As at August 31, 2018**
Balance Sheet Data			
Total assets	$ 1,707,154	$ 381,300	$ 69,598
Total liabilities	103,700	41,367	14,000
Total equity (deficit)................................	$ 1,603,454	$ 339,933	$ 55,598

Results of Operations

During the three and six months ended February 28, 2021 and 2019, the Company incurred a net loss of $466,944 (2020 – $148,919). The expenses for the three and six months ended February 28, 2021 and 2019 include the following items:

	Three months ended February 28, 2021	Three months ended February 29, 2020	Six months ended February 28, 2021	Six months ended February 29, 2020
Advertising and promotion	$ 161,135	$ 249,497	$ 343,127	$ 257,693
Consulting	12,800	38,100	27,500	56,770
Legal	9,000	16,789	15,041	21,235
Management fees	14,000	26,000	27,862	26,000
Registration and transfer fees	9,366	8,578	13,864	20,935
Stock-based compensation	83,829	99,970	320,942	179,271
Travel	–	8,100	2,503	26,413

The increase in expenses was primarily due to the issuance of 1,250,000 options to directors and consultants valued at $320,942, using the Black-Scholes pricing model, to directors, officers and consultants.

Exploration Project

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

Six months ended February 28, 2021	**Roger Creek Project**	**Pilar Project**	**Total**
Acquisition Costs			
Balance, August 31, 2020	$ 125,000	$ 385,000	$ 510,000
Cash	–	125,000	125,000
Shares issued	–	480,000	480,000

Balance, February 28, 2021	$ 125,000	$ 990,000	$ 1,115,000
Deferred exploration expenditures			
Balance, August 31, 2019	$ 96,140	$ 188,642	$ 284,782
Geologist fees and assays	1,500	365,688	367,188
Other property expenses	–	18,407	18,407
Balance, February 28, 2021	97,640	572,737	670,377
Total E&E Assets, February 28, 2021	**$ 222,640**	**$ 1,562,737**	**$ 1,785,377**

Year ended August 31, 2020:	**Roger Creek Project**	**Pilar Project**	**Total**
Acquisition Costs			
Balance, August 31, 2019	$ 85,000	$ –	$ 85,000
Cash	–	125,000	125,000
Shares issued	40,000	260,000	300,000
Balance, August 31, 2020	$ 125,000	$ 385,000	$ 510,000
Deferred exploration expenditures			
Balance, August 31, 2019	$ 35,016	$ –	$ 35,016
Geologist fees and assays	68,204	188,642	256,846
Mining exploration tax credits	(7,080)	–	(7,080)
Balance, August 31, 2020	96,140	188,642	284,782
Total E&E Assets, August 31, 2020	**$ 221,140**	**$ 573,642**	**$ 794,782**

Project Update

Rogers Creek

The Rogers Creek Property covers 212.34 km^2 in the Coastal Mountain Belt of British Columbia about 90 km northeast of Vancouver, B.C. The Rogers Creek project has advanced from a small showing discovered on a logging road in 2007 to an advanced exploration stage property with evidence for a large mineralized system. Mineralization is hosted within the Miocene age intrusions of the Cascade Magmatic Arc of southwestern BC, which have seen very little modern exploration.

Porphyry related alteration and mineralization has been identified in four (4) target 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 to date was observed in drill hole MRC-007 (drilled in 2011), which intersected 380 ppm Cu over 150.9 meters. Drill testing of coincident geological and geophysical targets at this Target have now been prioritized. Follow-up work in 2019 relogged and analyzed core with short-wave infrared (SWIR) confirming alteration clay minerals coincident with porphyry deposits are present and increasing with mineralization recorded in drill hole MRC-007.

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:

- Mapping and soil sampling

- Detailed magnetics, focused on Target 4
- Property wide, LiDAR and Photogrammetry
- Potential for a small drill program (~1,500m), focused on the Target 1 area.

Pilar Gold Project

Located in the State of Sonora, Mexico, the Pilar Gold-Silver property is interpreted as a structurally controlled low-sulphidation epithermal project hosted in andesite rocks. Three zones of mineralization have been identified in the north-west part of the property from historic surface work and drilling and are referred to as the Main Zone, North Hill and 4 Trench. Structural features and zones of mineralization within follow an overall NW-SE trend of mineralization. Over 17,700m of drilling has been completed historically with an additional 1,505 meters recently completed by Tocvan in December 2020. Project highlights include:

- 17,700m of historic Core & RC drilling;
- 2,650m of historic surface and trench channel sampling;
- Recent soil sampling results from undrilled areas indicating mineralization extends towards the southeast from the Main Zone, North Hill Zone, and 4-Trench Zone;
- 2020 Surface soil sampling returning up to 8.1 g/t Au and 317 g/t Ag in separate samples;
- 2020 Surface Rock sampling returning up to 23.7 g/t Au and 116 g/t Ag in areas previously not drill tested;
- Recent resistivity trends defined by ground geophysical surveys, including Induced Polarization (IP) and Controlled Source Audio Magnetotellurics (CSAMT);
- Recent LiDAR survey of the Project area;
- Completion of a Phase One RC drill program totaling 1,505 meters.

Phase One (December 2020) Drill Highlights:

<u>Drill hole JES-20-32</u>
- 94.6 meters at 1.6 g/t Au from 57.9 to 152.5 meters
    - including a high-grade core of 9.2 meters at 10.8 g/t Au and 38 g/t Ag from 57.9 to 67.1 meters

<u>Drill hole JES-20-33</u>
- 41.2 meters at 1.1 g/t Au from 57.9 to 99.1 meters
    - including a high-grade core of 3.1 meters at 6.0 g/t Au and 12 g/t Ag from 71.6 to 74.8 meters

<u>Drill hole JES-20-36</u>
- 24.4 meters at 2.5 g/t Au and 73 g/t Ag from 96.1 to 120.5 meters
    - including a high-grade core of 9.2 meters at 6.3 g/t Au and 192 g/t Ag from 96.1 to 105.2 meters
    - including 1.5 meters at 33.4 g/t Au and 1,090 g/t Ag from 96.1 to 97.6 meters

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 Feb 28, 2021	Three months ended November 30, 2020	Three months ended August 31, 2019	Three months ended May 31, 2020
Total assets	$2,182,426	$ 2,053,297	$ 1,707,154	$ 884,539
Working capital	223,877	422,759	808,672	167,609
Shareholders' equity	2,009,254	1,978,630	1,603,454	853,007
Net loss (gain)	294,912	466,944	193,553	142,920
Loss per share	0.01	0.02	0.01	0.01

	Three months ended Feb 29, 2020	Three months ended November 30, 2019	Three months ended August 31, 2019	Three months ended May 31, 2019
Total assets	$ 1,018,390	$ 625,635	$ 381,301	$ 412,902
Working capital	314,778	42,530	219,917	269,474
Shareholders' equity	911,726	585,315	339,933	361,577
Net loss	455,522	148,919	(48,076)	55,381
Loss per share	0.03	0.01	0.00	0.01

In the quarter ended August 31, 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 and six months ended August 31, 2019. These fees were originally booked in the first and second quarter of the fiscal year ended August 31, 2019.

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 interim condensed 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.

	February 28, 2021	August 31, 2020
Working capital	$ 314,778	$ 808,672
Deficit	$ 1,881,760	$ 1,119,904

Net cash used in operating activities during the six months ended February 28, 2021, was $431,389 (2020, $392,674). The increase in cash used in operating activities for the period was due, primarily, to a loss of $761,856 (2020, $604,441), which was offset by non cash, stock based compensation of $320,942 (2020, $179,271).

Net cash provided by financing activities during the three and six months ended February 28, 2021 was $366,714 (2020, $736,962).

Net cash used in investing activities during the three and six months ended February 28, 2021 was $494,889 (2020, $216,932).

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

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers. The remuneration of directors and key management personnel during the six months ended February 28, 2021 and 2020 was as follows:

	Six months ended	
	February 28, 2021	**February 29, 2020**
Stock-based compensation	$ 186,800	$ 159,245
	$ 186,800	$ 159,245

Related party balances
At February 28, 2021, $5,832 was owed to the Company's CEO (August 31, 2020 - $10,917).

At February 28, 2021, $5,250 was owed to a director of the Company (August 31, 2020 - $nil).

These amounts are unsecured, non-interest bearing and due on demand.

Related party share issuances

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

On November 8 2019, 135,000 shares were issued when 135,000 options at $0.10 per option were exercised by directors of the company for total proceeds of $13,500.

On November 14 2019, 135,000 shares were issued when 135,000 options at $0.10 per option were exercised by directors of the company for total proceeds of $13,500.

Related party options granted

On October 24, 2019, the Company granted 500,000 fully vested stock options to certain directors and officers of the Company and 50,000 fully vested stock options to consultants which entitle the holders to purchase one common share for each option held at a price of $0.15 per share up to October 24, 2024.

On December 1, 2019, the Company granted 400,000 fully vested stock options to a director and officer of the Company which entitle the holder to purchase one common share for each option held at a price of $0.15 per share up to December 1, 2024.

On February 18, 2020, the Company granted 150,000 fully vested stock options to a director of the Company which entitles the holder to purchase one common share for each option held at a price of $0.20 per share up to February 18, 2025.

On February 20, 2020, the Company granted 100,000 fully vested stock options to certain directors and officers of the Company which entitle the holder to purchase one common share for each option held at a price of $0.22 per share up to February 20, 2025.

On September 11, 2020, the Company granted 400,000 stock options to directors and officers of the Company which entitle the holder to purchase one common share for each option held at a price of $0.35 per share up to September 11, 2025. The options shall vest over a 21 month period. 25% will become fully exercisable on the anniversary date of grant (September 11, 2021) and 25% every subsequent quarter thereafter.

On September 18, 2020, the Company granted 250,000 stock options to directors and officer of the Company which entitle the holder to purchase one common share for each option held at a price of $0.40 per share up to September 11, 2025. The options shall vest over a 21 month period. 25% will become fully exercisable on the anniversary date of grant (September 18, 2021) and 25% every subsequent quarter thereafter.

On January 19, 2021, the Company granted 150,000 stock options to directors and officer of the Company which entitle the holder to purchase one common share for each option held at a price of $0.35 per share up to January 21, 2026. The options vested immediately.

Changes in Accounting Policies

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

The interim condensed 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 interim condensed financial statements have been prepared using the accrual basis of accounting except for cash flow information.

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

The interim condensed 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 interim condensed 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 interim condensed 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 February 28, 2021.

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:

	February 28, 2021	August 31, 2020
Fair value through profit or loss (i)	$ 346,159	$ 905,705
Other financial liabilities (ii)	$ 173,172	$ 103,700

(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 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 interim condensed financial statements

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements as at February 28, 2021.

Additional Disclosure for Venture Issuers without Significant Revenue

Please refer to Note 3 in the interim condensed financial statements for the six months ended February 28, 2021 for a description of the capitalized exploration and development costs on the Pilar and Rogers Creek properties. For a description of the general and administrative expenses, please refer to the statement of comprehensive loss contained in the interim condensed financial statements for the six months ended February 28, 2021.

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	27,974,179
Stock options	1,775,000
Warrants	1,101,233

Business Risks

Uncertainty due to Global Outbreak of COVID-19

In March of 2020, the World Health Organization declared an outbreak of COVID-19 a global pandemic. The COVID-19 has impacted vast array of businesses through the restrictions put in place by most governments internationally, including the Canadian and Mexican governments, as well as provincial and municipal governments, regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown to what extent the impact of the COVID-19 outbreak may have on the Company as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place world-wide to fight the virus. While the extent of the impact is unknown, the COVID-19 outbreak may hinder the Company's ability to raise financing for exploration or operating costs due to uncertain capital markets, supply chain disruptions, increased government regulations and other unanticipated factors, all of which may also negatively impact the Company's business and financial condition.

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 interim condensed 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 interim condensed 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 interim condensed financial statements.

Further Information

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