

VOLATUS CAPITAL CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the six months ended July 31, 2020

The Management's Discussion and Analysis ("MD&A") was prepared as of September 29, 2020 and is intended to supplement and complement the unaudited condensed interim financial statements of Volatus Capital Corp. (the "Company") for the six months ended July 31, 2020 and related notes attached thereto. Readers are also encouraged to refer to the audited financial statements of the Company for the year ended January 31, 2020 and related notes attached thereto. Accordingly, this MD&A includes the results of operations and cash flows of the Company for the six months ended July 31, 2020 and the reader must be aware that historical results are not necessarily indicative of the future performance. All amounts are reported in Canadian dollars. The aforementioned documents can be accessed on the SEDAR web site www.sedar.com.

Unless otherwise stated, financial results have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), and in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting.

The Company's unaudited condensed interim financial statements were prepared with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation for the foreseeable future. The operations of the Company were primarily funded by the issue of share capital. The continued operations of the Company are dependent on its ability to develop a sufficient financing plan, complete sufficient debt or equity financing, or generate profitable operations in the future. These condensed interim financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business.

Effective April 22, 2020, the Company consolidated its common shares on a 3:1 basis. These MD&A reflect the share consolidation for all shares, warrants, options and share amounts retrospectively.

DESCRIPTION OF BUSINESS

The Company, which was incorporated on November 6, 2018, under the laws of British Columbia, is a public company listed on the Canadian Securities Exchange (the "CSE") and trades under the symbol VC. The address of the Company's corporate office and its principal place of business is located at Suite 1100, 595 Howe Street, Vancouver, British Columbia, V6C 2T5.

The Company's principal business activities include the acquisition and exploration of mineral property assets. As at July 31, 2020, the Company had not yet determined whether the Company's mineral property asset contains ore reserves that are economically recoverable. The recoverability of amount shown for exploration and evaluation asset 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 the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition. The outcome of these matters cannot be predicted at this time and the uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

During the period ended July 31, 2020, there was a global pandemic outbreak of COVID-19. The actual and threatened spread of the virus globally has had a material adverse effect on the global economy and specifically, the regional economies in which the Company operates. The pandemic could result in delays in the course of business, including potential delays to its business plans and activities, and continue to have a negative impact on the stock market, including trading prices of the Company's shares and its ability to raise new capital. These uncertainties raise substantial doubt upon the Company's ability to continue as a going concern and realize its assets and settle its liabilities and commitments in the normal course of business.

FORWARD-LOOKING STATEMENTS

Certain information in this MD&A, including all statements that are not historical facts, constitutes forward-looking information within the meaning of applicable Canadian securities laws. Such forward-looking information may include, but is not limited to, information which reflect management's expectations regarding the Company's future growth, results of operations (including, without limitation, future production and capital expenditures), performance (both operational and financial) and business prospects (including the timing and development of new deposits and the success of exploration activities) and opportunities. Often, this information includes words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate" or "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

In making and providing the forward-looking information included in this MD&A the Company's assumptions may include among other things: (i) assumptions about the price of metals; (ii) that there are no material delays in the optimisation of operations at the exploration and evaluation assets; (iii) assumptions about operating costs and expenditures; (iv) assumptions about future production and recovery; and (v) that there is no material deterioration in general economic conditions. Although management believes that the assumptions made and the expectations represented by such information are reasonable, there can be no assurance that the forward-looking information will prove to be accurate. By its nature, forward-looking information is based on assumptions and involves known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements, or results, to be materially different from future results, performance or achievements expressed or implied by such forward-looking information. Such risks, uncertainties and other factors include among other things the following: (i) decreases in the price of base precious metals; (ii) the risk that the Company will continue to have negative operating cash flow; (iii) the risk that additional financing will not be obtained as and when required; (iv) material increases in operating costs; and (v) environmental risks and changes in environmental legislation.

This MD&A contains information on risks, uncertainties and other factors relating to the forward-looking information. Although the Company has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in the forward-looking information, there may be other factors that cause actual results, performances, achievements or events not to be anticipated, estimated or intended. Also, many of the factors are beyond the Company's control. Accordingly, readers should not place undue reliance on forward-looking information. The Company undertakes no obligation to reissue or update forward-looking information as a result of new information or events after the date of this MD&A except as may be required by law. All forward-looking information disclosed in this document is qualified by this cautionary statement.

EXPLORATION PROJECT

Period Ended July 31, 2020	Split Dome Copper Project	Sunset Copper Star Project	Compass Project	Peak and Lions Den Gold Properties	JD Property	Total
Acquisition Costs:						
Balance, beginning of period	\$ -	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000
Acquisition costs – cash	-	-	-	65,000	-	65,000
Acquisition costs – shares	270,000	-	960,000	1,140,000	69,750	2,439,750
Balance, end of period	270,000	20,000	960,000	1,205,000	69,750	2,524,750
Exploration Costs:						
Balance, beginning of period	-	93,978	-	-	-	93,978
Balance, end of period	-	93,978	-	-	-	93,978
Total	\$ 270,000	\$ 113,978	\$ 960,000	\$ 1,205,000	\$ 69,750	\$2,618,728

Year Ended January 31, 2020	Sunset Copper Star Project	Total
Acquisition Costs:		
Balance, beginning of year	\$ 5,000	\$ 5,000
Acquisition costs – cash	5,000	5,000
Acquisition costs – shares	10,000	10,000
Balance, end of year	20,000	20,000
Exploration Costs:		
Balance, beginning of year	87,996	\$ 87,996
Labour	650	650
Reporting	4,875	4,875
Travel and fuel	412	412
Meal and accommodation	45	45
Balance, end of year	93,978	93,978
Total	\$ 113,978	\$ 113,978

Sunset Copper Star Project

Pursuant to an option agreement dated November 16, 2018 (the “Agreement”), with Rich River Exploration Ltd. and Craig A. Lynes (collectively, the “Optionors”), the Company was granted an option to acquire a 100% undivided interest in the Sunset Copper Star project (the “Property”) located north of the town of Campbell River in the Nanaimo Mining Division, British Columbia.

The Property consists of two contiguous mineral titles covering an area of 1138.15 hectares. These mineral titles were acquired by electronic staking in October and November 2018 and are held by Craig Lynes on behalf of Rich River Exploration Ltd. (“Rich River”). Volatus Capital Corp. (“Volatus”) has optioned the Property from Mr. Lynes and is the operator. Access to the Sunset Copper Star Property is via the Browns Bay forest service road that connects to Highway 19 southwest of the Property. Historical work done on the property dates back to 1899-1901 when three adits were driven on the Sunset veins. Very little work has been done on the property since this time period. New logging roads have improved access to the property. This road construction has exposed several new showings of high-grade copper mineralizations. The area covered by the Property is mainly underlain by the upper part of the Karmutsen.

Formation stratigraphy, comprising mainly thick massive flows with local intercalations of amygdaloidal basalt and pods of autoclastic breccias, pillowed and massive flows with thin intercalations of volcanoclastic and limey sandstones all cut by thin dolerite/gabbro sills. Three documented mineral occurrences are found on the Sunset Copper Star Property. These are the Star, Sunset, and FS stratiform showings. Historical work has focused on the Sunset showing where several exploratory tunnels have been driven along a north trending shear that contains high grade copper mineralization. Work done on the Sunset Copper Star Property in 2018 included the collection of 66 rock 190 soil and 22 silt geochemical samples. The survey area was also prospected and several new copper showings were located. All of this work was done by Rich River Exploration on behalf of Volatus and was supervised by Mr. C. Lynes. The geochemical sampling took place in November 2018. Samples collected by Rich River were shipped to ALS Minerals laboratories in North Vancouver. The purpose of the geochemical sampling done in 2018 was to characterize the grade of copper mineralization found on the property and to look for new areas of potential copper mineralization by collecting soil samples at closely spaced intervals along a network of logging roads in the northern part of the property. Most of the mineralized samples were collected from veins and shear zones within amygdaloidal subaerial to submarine basaltic volcanic rocks of the Triassic Karmutsen Group. A number of samples containing high grade Cu mineralization were collected from adits and waste dumps at the Sunset showing. Several new showings and areas of anomalous Cu in soils were located in the northern part of the Property.

In accordance with the Agreement, the Company has acquired a 51% undivided interest in the Property by paying \$5,000. The Company has the option to earn the remaining 49% interest in the Property by issuing a total of 200,000 common shares of the Company to the Optionors, making cash payments totaling \$155,000, and incurring a total of \$500,000 in exploration expenditures as follows:

	Common Shares		Cash	Exploration Expenditures
	Number			
Upon the closing of the initial public offering of the Company	33,333 (issued at a value of \$10,000)	\$	5,000 (paid)	\$ -
On or before August 30, 2020	33,333		20,000	100,000
On or before August 30, 2021	33,334		30,000	100,000
On or before August 30, 2022	100,000		100,000	300,000
Total	200,000	\$	155,000	\$ 500,000

The Optionors will retain a 3% Net Smelter Returns royalty on the Property. The Company has the right to purchase the first 1% of the royalty for \$750,000 and the remaining 2% for \$1,000,000 at any time prior to the commencement of commercial production.

Split Dome Copper Project

During the year ended January 31, 2020, the Company entered into a purchase and sale agreement with a Company owned by the Chief Executive Officer to acquire up to a 100% interest, subject to a 0.25% NSR royalty, in the Split Dome copper project located near Hazelton, British Columbia. In exchange for the 100% interest, during the period ended July 31, 2020, the Company issued 1,000,000 shares at a value of \$270,000 and 500,000 warrants with a term of 36 months and an exercise price of \$0.30.

The Split Dome copper project consists of four claim groups totalling 319 claims for 5,840 hectares located 55 km north-east of Hazelton, British Columbia on the west side of the Babine Valley. The project can be accessed by active forestry roads on the northern and southern sides of the claim group, which in turn are accessed two turnoffs north and south of Smithers on Highway 16. Lodges and camp areas are found to the south-southeast in the Fort Babine area.

The project target is a dome feature which is bifurcated by two north-south magnetic lows and has the overall magnetic signature that is indicative of an intrusive host rock but has been mapped as a sedimentary rock with a small window of intrusive rocks mapped on the north side of the magnetic signature. The regional stream sampling downstream of the Split Dome claims indicate second-order copper in silt anomalies and only one sample has been taken in the target area.

Structurally, the Spit Dome Target lays on the southwest side of a Northwest / Southeast regional scale strike slip fault that locally follows the Babine river. The Split dome target is nestled in a dilational jog in the fault geometry. This dilational jog gives room for a significant sized granitic intrusive body to rise and become emplaced in the near surface. Continued activity in the dilational jog in the fault allows for the long-term structural development and the open spaces required for copper mineralization. The Lone Mountain/Mount Horetzky copper showing is located to the northwest on the opposite side of the regional fault structure and demonstrates the pregnant nature of the intrusive system. Split Dome has the signature of a large intrusive body and has the potential to host a significant copper resource.

Exploration License #5730

In May 2020, the Company advanced \$300,000 to enter an option agreement to purchase a 100% undivided interest in exploration license #5730 in Southern Australia. If no sale transaction is completed by November 13, 2020, the seller will return \$250,000 to the Company.

In July 2020, the Company entered into an agreement to acquire MagMetal Tech Pty Ltd., a private Australian Issuer acquiring a 20% interest in Leigh Creek Magnesite project. To execute the option, the Company issued 7,154,897 common shares and is required to pay \$500,000 (\$300,000 paid).

The Company is subject to net smelter returns royalty ranging from 1.25% to 2.5% on the property.

The Leigh Creek Magnesite Project is located in Leigh Creek Township, approximately 550 Km north of Adelaide in South Australia. Consisting of 2 exploration licences, the Leigh Creek Magnesite Project is considered to be the world's largest cryptocrystalline (small-grained) magnesite deposit, capable of making CCM (caustic calcined magnesite), DBM (dead burned magnesite) and EFM (electro fused magnesite) magnesite products, and magnesium metal. The project has nearby spare kiln and port capacity, with multiple toll processing opportunities. The Leigh Creek historical JORC resource estimate consists of 16 million tonnes measured, 113.5 million tonnes indicated and 106 million tonnes inferred (see table included herein).

Compass Project

During June 2020, the Company earned a 100% interest, subject to a 1% NSR royalty of which the Company may purchase 0.5% for \$500,000 at any time, in the Compass project by issuing 3,200,000 common shares with a value of \$960,000.

The Compass Project is composed of six mineral claims encompassing a land area of approximately 7,470 hectares located in the resurgent Toodoggone Mining Camp in northwestern British Columbia.

Peak and Lions Den Gold Properties

In June 2020, the Company entered into a purchase and sale agreement with a Company controlled by the Chief Executive Officer to acquire a 100% interest, subject to a 1.5% NSR royalty, in the Peak and Lions Den gold properties located in the Kemess-Toodoggone porphyry gold-copper epithermal gold district in northwestern British Columbia.

In exchange for the 100%, the Company issued 3,800,000 common shares with a value of \$1,140,000 and made a cash payment of \$65,000 and incur exploration expenditure commitments of \$100,000.

The Peak (4,742 ha) and Lions Den (11,569 ha) properties are composed of 17 mineral claims, encompassing a total land area of approximately 16,311 ha located in the Kemess-Toodoggone porphyry gold-copper epithermal gold district in northwestern British Columbia.

Historic Showings include:

- The JIMO showing is a west trending ridge within a valley of a west-flowing stream with mineralized outcrop occurring over a 500x400 m area along the ridge and crossing into the valley floor. A 9x4 m quartz-calcite stockwork zone, hosted within andesite, along the ridge, yielded 0.38% Cu and 21.94 g/t Au over 3.7 metres. A grab sample from a 20 cm wide quartz-calcite vein hosted within brecciated tuff along the valley floor assayed 34.0 g/t Ag (Assessment Report 18465).
- The Fred showing is a series of southerly dipping quartz-carbonate-(barite) veins (up to 30 cm wide) containing mineralization with varying amounts of chalcopyrite, bornite, chalcocite, pyrite and galena. The veins are in a 10x1.5 m zone of argillic and siliceous altered brecciated augite porphyry andesites. A grab sample of the mineralization assayed 10.26 g/t Au, 2.42% Pb, 0.49% Zn, and 0.24% Cu (Assessment Report 4643).

JD Property

In July 2020, the Company entered into a letter of intent to acquire a 100% interest subject to a 2.5% NSR royalty, in the JD property ("JD") located in the Omineca Mining Division in northern British Columbia. To earn the interest, the Company must make payments totaling \$1,200,000, issue 4,000,000 common shares and incur exploration expenditures totaling \$16,000,000, as follows:

- i) \$100,000 on or before August 12, 2020 as to \$70,000 in cash (paid) and shares valued at \$30,000 issued in accordance with regulatory requirements;
- ii) \$100,000 and 250,000 common shares on July 28, 2021;
- iii) \$200,000 and 500,000 common shares on July 28, 2022;
- iv) \$200,000 and 750,000 common shares on July 28, 2023;
- v) \$250,000 and 1,000,000 common shares on July 28, 2024;
- vi) \$350,000 and 1,500,000 common shares on July 28, 2025;
- vii) incur not less than \$200,000 on or before October 28, 2020;
- viii) incur \$1,000,000 on or before October 28, 2021;
- ix) incur \$1,300,000 on or before October 28, 2022;
- x) incur \$2,000,000 on or before October 28, 2023;
- xi) incur \$3,000,000 on or before October 28, 2024;
- xii) incur \$4,000,000 on or before October 28, 2025; and
- xiii) incur \$4,500,000 on or before October 28, 2026.

The Company also issued 33,857 common shares (valued at \$39,750) as finder's fees.

The property is comprised of 32 mineral claims (13,697 ha) in the resurgent Toodoggone Mining Camp located in northwestern British Columbia. The JD Property is 280 km northeast of the Omineca Mining Division (Smithers, B.C.) in the historically significant Toodoggone gold district of north-central British Columbia.

The JD Property is strategically located in the center of the Toodoggone District. It lies adjacent to the north and east of Benchmark's Lawyers property, adjacent to the south of the Porphyry Pearl and Oxide Peak properties and some 15 km south of Evergold's Golden Lion property on the north and east. Guardsmen's Ranch property is adjacent to the west.

The Kyba Red Line is on the JD Property and is prospective for epithermal gold mineralization and porphyry copper mineralization. The Triassic Stuhini Group - Jurassic Hazelton Group stratigraphic contact as depicted by the Kyba Red Line - is predictive of a geological environment favorable for the formation of major metal deposits in proximal Hazelton Group rocks. Kyba recognized that most of the major deposits in the region occur within two kilometres of a regional stratigraphic contact and there are lithological and structural clues to narrow that window even more.

Project Highlights:

- Center of the Toodoggone District which is seeing a resurgence of interest in 2020 with Benchmark Metals Inc. working on the Lawyers gold deposit with a 50,000m drill program.
- \$15 million in historical work on the Project focused primarily on the epithermal gold targets. • The JD Property hosts the Finn historical gold resource (see below).
- High grade zone with the Finn deposit has grades of up to 13.28 g/t gold over 8.8m.
- 12 other significant Au and Au/Ag targets ranging from high grade veins, to stratiform and fault zone hosted mineralization with grades of up to 4m at 103.3g/t Au, 92.2 g/t Ag, 1.34% Cu and 11.7% Zn.
- Freeport-McMoran of Canada Ltd explored for and was developing a strong porphyry target from 2017 to 2019 before withdrawing for corporate imperatives, leaving a well-developed untested copper porphyry target.
- The Toodoggone region hosts Lawyers, Kemess, Baker and Shasta historic mines.

The immediate focus at JD will be gold mineralization in the southern portion of the Project near the boundary with Benchmark's Lawyers project, with the objective of updating and expanding the Finn deposit historic resource, as well as further definition and testing of the Freeport porphyry target. The Company's technical team is currently working with data and is expecting to conduct its initial field program in September 2020. As exploration priorities are developed by the Company's technical team, further work will be conducted and released.

True Grit and Middle Ridge projects

The Company received a 5% interest in certain mineral claims of True Grit and Middle Ridge projects in Newfoundland as a loan fee. During July 2020, the Company sold the Middle Ridge South gold property.

During the period ended July 31, 2020, the Company completed the sale of a 100% undivided interest in the Middle Ridge South gold property in central Newfoundland to Mariner Resources Corp. ("Mariner") for consideration of \$240,000 in cash and 1,800,000 common shares of Mariner. The Company holds a 5% interest in the Properties and received \$12,000 in cash and 90,000 common shares of Mariner in the transaction.

During the period ended July 31, 2020, the Company entered into an agreement to sell a 100% undivided interest in the Middle Ridge North gold and True Grit gold properties in central Newfoundland to Mariner for consideration of 6,850,000 common shares of Mariner. The Company holds a 5% interest in the Properties and will receive 342,500 common shares of Mariner in the transaction (received).

Leigh Creek Magnesite Project

In August 2020, the Company closed the acquisition of MagMetal Tech Pty Ltd., which owns a 20% interest in the Leigh Creek Magnesite project. To execute the option, the Company issued 7,154,897 common shares (issued) and is required to pay \$500,000.

The Company is subject to net smelter returns royalty ranging from 1.25% to 2.5% on the property.

The Leigh Creek Magnesite Project is located in Leigh Creek Township, approximately 550 Km north of Adelaide in South Australia. Consisting of 2 exploration licences, the Leigh Creek Magnesite Project is considered to be the world's largest cryptocrystalline (small-grained) magnesite deposit, capable of making CCM (caustic calcined magnesite), DBM (dead burned magnesite) and EFM (electro fused magnesite) magnesite products, and magnesium metal. The project has nearby spare kiln and port capacity, with multiple toll processing opportunities.

The Leigh Creek historical JORC resource estimate consists of 16 million tonnes measured, 113.5 million tonnes indicated and 106 million tonnes inferred (see table included herein). The historical JORC resource estimate was completed for Archer Exploration Ltd. in April 12, 2016. The company's qualified person has not done sufficient work to classify the historical estimate as a current mineral resource or mineral reserve, and the company is not treating the historical estimate as current mineral resources or mineral reserves.

The included table is derived from the April 12, 2016, Archer Exploration JORC resource.

Area	Measured (Mt)	Indicated (Mt)	Inferred (Mt)	Total (Mt)	MgO (%)
Mount Hutton Central	12.0	5.5	0.0	17.5	40.1
Mount Hutton South	0.0	72.0	53.0	125	42.9
Mount Playfair	0.0	21.0	23.0	44	42.5
Pug Hill	0.0	10.0	10.0	20	42.7
Termination Hill	4.0	5.0	20.0	29	42.8
Total	16.0	113.5	106.0	235.5	

The JORC resource categories used are comparable to the CIM 2014 mineral resource categories recognized under National Instrument 43-101. The parameters used to prepare the historical estimate include creating a DTM for the top and bottom of each bed in the magnesite package. The block size chosen measured 10 metres north by 0.5 m east and one m vertically. This block size allowed for an estimation of steeply dipping, thin, tabular bodies and also considered the estimated minimum magnesite bed mining width of 0.5 m. Area Measured (Mt) Indicated (Mt) Inferred (Mt) Total (Mt) MgO (%) Mount Hutton Central 12.0 5.5 0.0 17.5 40.1 Mount Hutton South 0.0 72.0 53.0 125 42.9 Mount Playfair 0.0 21.0 23.0 44 42.5 Pug Hill 0.0 10.0 10.0 20 42.7 Termination Hill 4.0 5.0 20.0 29 42.8 Total 16.0 113.5 106.0 235.5 A qualified person has yet to determine what work would be required to upgrade or verify this historical estimate.

The company's investment in magnesium metal is in alignment with its vision of the growth of the green economy. The unique properties of magnesium to create a high-strength, low-weight metal and associated alloys for use in electric vehicles allows for the reduction of vehicle weight while driving down battery size and costs.

Belle Property

In August 2020, the Company entered into an agreement to acquire a 100% interest in the Belle property, located in the center of the Toodoggone Gold and Copper Mining District, northern British Columbia. To execute the option, the Company is required to make the following payments:

- i)\$25,000 (paid) and 125,000 common shares on August 5, 2020 (issued);
- ii)\$25,000 and 125,000 common shares on August 5, 2021;
- iii)\$25,000 and 125,000 common shares on August 5, 2022; and
- iv)\$25,000 and 125,000 common shares on August 5, 2023.

The Company also issued 33,857 common shares as finder's fees.

The Company is subject to a 2% net smelter returns royalty on the property.

The Belle property is located in the center of the Toodoggone Gold and Copper Mining District, northern British Columbia. The Belle is prospective for both gold and copper mineralization with exploration vectors suggesting that the potential for a mineralized core in the larger JD-Belle Porphyry system is located on the Belle Project.

The Belle Property comprises seven mineral tenures covering 1,673 ha and is surrounded by, and contiguous to Volatus' optioned JD property in the Toodoggone gold district of north-central BC. The Belle Property is underlain by the same Jurassic age volcanic package (Toodoggone Formation) that hosts widespread gold mineralization on the JD property. Exploration on the Belle Property was most recently conducted during the 1980's where programs consisting of mapping and sampling, soil geochemistry and trenching were completed primarily by Manson Creek Resources. This work was centered approximately three kilometres due south of the JD Project's Finn Zone.

Large scale gold and silver target highlights:

- Strong gold and silver in soil anomalies
- Silica sinter on NE ridge with gold and silver values
- High grade grab samples with grades of up to 107 g/t Au and 103 g/t Ag
- Surrounded by the more advanced JD gold and silver project
- Located north of Benchmark's Lawyers historic gold mine and advanced exploration project

Porphyry Copper target indicated by:

- NW trend in QSP dykes and alteration system
- Magnetic and IP anomalies
- Spectral scanning study by Freeport McMoran in JD Project vectors towards a porphyry core on the Belle Project

General Model

The Belle property is 280 km northeast of the Smithers, BC Omineca Mining Division in the historically significant Toodoggone gold district of north-central British Columbia. The property is underlain by a thick succession of interlayered volcanoclastic and intermediate volcanic rocks that are locally cut by high-level porphyritic intrusions. These rocks appear to host a large epithermal gold-silver system with many significant high-grade gold and silver occurrences and porphyritic core.

In 2019, MDRU's "An Exploration Framework for Porphyry to Epithermal Transitions in the Toodoggone Mineral District" suggested the new age relationships implies that epithermal-type deposits formed contemporaneously with pluton emplacement and porphyry type K-silicate alteration at depth. The transition to a porphyry center is further supported by the high concentrations of Cu, Mo, W, and Sn (which are typically enriched in the core of porphyry system) relative to Sb, As, Ag, Li and Tl (which are typically enriched in shallow level above porphyry systems). MDRU's new framework clearly suggest the potential for exploration of porphyry-type copper mineralization in areas previously known for epithermal mineralization.

Mineralization details

In 2013, Tower was first to recognize a significant porphyry-related hydrothermal alteration system in which classic alteration, mineralization and veining were encountered in three holes along a strike length of 850 metres. The dominantly phyllic (quartz plus sericite plus pyrite) alteration with anomalous copper mineralization is believed to be related to a deeper copper-mineralized porphyry system as one hole (JD-13-025) bottomed in 1.4 metres of 4,665 ppm Cu hosted in an altered intrusion at 229 metres downhole. The 2013 drilling only tested a small portion of an induced polarization chargeability. The chargeability anomaly is largely coincident with a multiple element (copper, gold, silver and tellurium) soil geochemical anomaly and an 800 m by 800m magnetic anomaly identified in a historic airborne geophysical survey. The discovery of the alteration system indicates that a robust porphyry related hydrothermal system underlies the eastern side of the Property. Work by Freeport in 2019 suggest the core of this porphyry system is located on the Belle Project.

Gold and silver mineralization on the Belle Property has been observed in two areas; the South Zone and the North Zone, which are 1.5 kilometres apart. Gold and silver mineralization of the South Zone is hosted in a northwest striking shear zone that has been traced by systematic trenching for 200 meters along strike. This zone is characterized by a wide (up to 20 meters) northwest trending zone of argillic alteration cored by sulphide bearing (pyrite, galena, and sphalerite) siliceous breccias with minor barite. Numerous open gold in-soil anomalies (up to 300 by 100 meters) are associated and correlate well with known areas of mineralization of the South Zone. High grade grab samples collected in 1986 by Manson Creek Resources from altered andesite located in outcrop at the northern extent of this zone have returned impressive assays of up to 107 g/t Au with 103 g/t Ag. In 1988 Manson Creek Resources completed 328 meters of trenching in the vicinity of the aforementioned grab sample aimed at expanding the mineralized zone along strike. Highlights from this trenching program include intersections such as 9 meters grading 2.1 grams per ton (g/t) Au and 9.5 g/t Ag (trench 88-04).

The Northern Zone is mostly exposed in mineral claims comprising the JD property. This zone is characterized by northeast trending discrete structurally controlled alteration zones comprising varying degrees of silicification with secondary barite up to 32 metres wide. Northeast trending gold in-soil anomalies correlate well with known areas of mineralization. All geochemical anomalies remain open along strike. Grab samples from this zone have returned assays of up to 2.2 g/t Au and 16.8 g/t Ag from altered volcanic rocks.

More Creek Property

In August 2020, the Company entered into an agreement to acquire a 100% interest in the More Creek Project, located the Golden Trgle District of northwest British Columbia. To execute the option, the Company is required to make the following payments:

- i)\$25,000 on August 21, 2020 (paid);
- ii)100,000 common shares on or before September 1, 2020 (issued);
- iii)\$25,000 on or before July 22, 2021;
- iv)\$50,000 on or before August 21, 2022; and
- v)\$50,000 on or before July 22, 2023.

The Company is required to incur exploration expenditures totalling \$600,000 as follow:

- i)\$100,000 on or before December 31, 2021;
- i)A minimum of \$250,000 on or before August 21, 2023; and
- ii)A minimum of \$250,000 in development costs on or before Decemebr 31, 2023.

The Company also issued 45,143 common shares as finder's fees.

The Company is subject to a 2% net smelter returns royalty on the property.

The More Creek Project is located in the heart of the Golden Triangle District, British Columbia. It is an early stage project which hosts gold in stream and till samples. Looking up slope from the stream and till sample locations anomalous mercury in two discrete silica caps suggest the potential for a gold enrichment lower in the epithermal system.

The More Creek property comprises five mineral tenures totalling 6,430 hectares in the Golden Triangle District of northwest British Columbia. The property was staked by Tower. More Creek is approximately 55 kilometers north of Pretium Resources' significant Brucejack development project which contains a Measured and Indicated mineral resource of 9.1 million ounces of gold at an average grade of 17.2 grams per tonne gold.

Geology and Historic Exploration

Previous work at More Creek was focused on a prominent mountain and ridge top gossan known as the Sinter zone. Geological mapping and geochemical sampling (rock, soil, and stream silts) by Noranda and Corona in the early 1990s and reconnaissance mapping by Barrick Gold and Teck Resources in the 2000's at Sinter outlined an extensive zone, up to two kilometers long, of strong silicification, argillic alteration and hydrothermal brecciation associated with a regional fault cutting through Upper Triassic Stuhini Group volcanic and siliciclastic rocks. This zone is characterized by highly anomalous (in rocks, soils and silts) concentrations of epithermal-gold pathfinder elements such as Hg, As and Sb. Furthermore, a creek draining the Sinter zone also contains highly anomalous concentrations of gold (up to 1.4g/t Au) in pan concentrates in stream sediments as noted by Noranda and Corona (BC Assessment Reports 19216 and 21311).

Work in 2016 by Tower focused on rock-chip samples on the Sinter Zone and stream sediment samples in the creeks draining the Sinter and Logan Ridge zones. Highly anomalous gold grain and indicator mineral counts in stream sediments coupled with elevated pathfinder elements in rock-chip samples, and epithermal textures identified in outcrop were considered significant and warranted systematic follow-up. Rock samples were also collected by Tower geologists from the Sinter Zone, especially where glacial recession has exposed abundant new outcrop. Mercury was highly elevated in all samples, along with elevated values of other pathfinder elements. These results are consistent with the interpretation of the Sinter Zone representing the highest levels of a mineralized epithermal system. Strong alteration, pyrite vein stockwork, hydrothermal brecciation, and textures indicative of fluid boiling and gas escape were observed.

Together, these historic data suggests the Sinter zone may represent the upper, barren zone of an epithermal gold system and gold mineralization should be targeted vertically below the outcropping alteration zone. This exploration model has not yet been tested by systematic diamond drilling. The known showings remain underexplored with numerous opportunities to expand the exploration targets through follow up on anomalous stream sediments and till samples.

More Creek is 120 kilometres north of Stewart, BC and benefits from close proximity to significant infrastructure such as the Northwest Transmission Line, a nearby fixed-wing aircraft runway and Highway 37, all of which are approximately 10 kilometers to the east of the property.

RESULTS OF OPERATIONS

Six Months Ended July 31, 2020

The Company incurred a loss and comprehensive loss of \$101,878 (2019 – \$127,426) for the period ended July 31, 2020. A brief explanation of the significant changes in expenses by category is provided below:

- Consulting fees of \$91,165 (2019 – \$Nil) increased due to an increase in consulting fees related to exploration properties in the current period.
- Management, director and consulting fees of \$117,000 (2019 – \$18,000) increased due to an increase in management and director fees in the current period.
- Finance fee recovery of \$27,300 (2019 – \$Nil) increased due to shares received as a loan fee in the current period.
- Property investigation fee of \$36,982 (2019 – \$Nil) increased due to the Company investigating property in the current period.
- Professional fees of \$75,289 (2019 – \$16,110) increased reflecting an increase in legal fees paid in the current period.
- Share-based payments of \$Nil (2019 – \$66,171) decreased reflecting a decrease in options granted in the current period.
- Travel of \$4,854 (2019 – \$Nil) increased in the current period reflecting increased number of trips taken by management.
- Interest on loans receivable of \$15,788 (2019 – \$Nil) increased primarily due to interest accrued on the loans receivable during the current period.
- Gain on investment of \$56,800 (2019 – \$Nil) increased due to the fair value of warrants received as units from private placement during the current period.
- Realized gain on marketable securities of \$40,056 (2019 – \$Nil) increased due to an increased market value of marketable securities sold during the current period.
- Unrealized gain on marketable securities of \$107,318 (2019 – \$Nil) increased due to an increased market value of marketable securities held during the current period.

Three Months Ended July 31, 2020

The Company incurred a loss and comprehensive loss of \$18,573 (2019 – \$99,839) for the period ended July 31, 2020. A brief explanation of the significant changes in expenses by category is provided below:

- Consulting fees of \$91,165 (2019 – \$Nil) increased due to an increase in consulting fees related to exploration properties in the current period.

- Management, director and consulting fees of \$63,500 (2019 – \$9,000) increased due to an increase in management and director fees in the current period.
- Finance fee recovery of \$27,300 (2019 – \$Nil) increased due to shares received as a loan fee in the current period.
- Property investigation fee of \$36,982 (2019 – \$Nil) increased due to the Company investigating property in the current period.
- Professional fees of \$68,047 (2019 – \$6,410) increased reflecting an increase in legal fees paid in the current period.
- Share-based payments of \$Nil (2019 – \$66,171) decreased reflecting a decrease in options granted in the current period.
- Transfer agent and filing fees of \$5,769 (2019 – \$9,975) decreased as a result of decreased filing activities in the current period.
- Interest on loans receivable of \$12,829 (2019 – \$Nil) increased primarily due to interest accrued on the loan receivable during the current period.
- Gain on investment of \$56,800 (2019 – \$Nil) increased due to the fair value of warrants received as units from private placement during the current period.
- Realized gain on marketable securities of \$4,496 (2019 – \$Nil) increased due to an increased market value of marketable securities sold during the current period.
- Unrealized gain on marketable securities of \$151,498 (2019 – \$Nil) increased due to an increased market value of marketable securities held during the current period.

QUARTERLY INFORMATION

	July 31, 2020	April 30, 2020	January 31, 2020	October 31, 2019
Total revenue	\$ -	\$ -	\$ -	\$ -
Net loss for the period	\$ (18,573)	\$ (83,780)	\$ (21,240)	\$ (174,238)
Basic and diluted loss per share	\$ (0.00)	\$ (0.02)	\$ (0.01)	\$ (0.04)
Total assets	\$ 4,213,359	\$ 577,788	\$ 355,404	\$ 366,410
Total long-term liabilities	\$ -	\$ -	\$ -	\$ -
	July 31, 2019	April 30, 2019	January 31, 2019	
Total revenue	\$ -	\$ -	\$ -	
Net loss for the period	\$ (99,839)	\$ (27,587)	\$ (62,497)	
Basic and diluted loss per share	\$ (0.03)	\$ (0.01)	\$ (0.01)	
Total assets	\$ 180,297	\$ 216,456	\$ 236,892	
Total long-term liabilities	\$ -	\$ -	\$ -	

The Company was incorporated on November 6, 2018. Comparative figures prior to January 31, 2019 are not available.

TRANSACTIONS WITH RELATED PARTIES

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Key management includes directors and key officers of the Company, including the President, Chief Executive Officer and Chief Financial Officer. The remuneration of directors and other members of key management personnel during the periods ended July 31, 2020 and 2019 were as follows:

	Nature of transactions	2020	2019
Related parties:			
Chief Executive Officer	Management fees	\$21,000	\$ -
Chief Financial Officer	Management fees	\$6,000	\$ -
Director	Director fees	\$7,500	\$ -
A Company owned by the Chief Executive Officer	Management fees	\$66,500	\$ -

As at July 31, 2020, accounts payable and accrued liabilities include \$1,050 (January 31, 2020 – \$31,194) due to related parties. All amounts due to related parties are unsecured, non-interest bearing and have no fixed terms of repayment.

During the six-month period ended July 31, 2020, the Company incurred \$Nil (2019 - \$66,171) in share-based payments to directors and officers.

During the year ended January 31, 2020, the Company entered into a loan agreement with a Company owned by the Chief Executive Officer to lend \$100,000. The principal amount of the loan plus accrued interest of 12% per annum shall be payable on demand after November 20, 2020 and the borrower has pledged marketable securities in the value of \$112,000 as collateral against repayment of the loan and accrued interest. During the year ended January 31, 2020, the Company accrued \$2,334 of interest.

In May 2020, the Company entered into a loan agreement with a Company controlled by the Chief Executive Officer to lend \$40,000. The principal amount of the loan plus accrued interest of 2% per month shall be payable on or before 10 days after notice in writing of demand by the Company, such demand not to be made before July 31, 2020. The borrower has pledged 4,000,000 common shares of Origen Resources Inc. as collateral against repayment of the loan and accrued interest.

In June 2020, the Company entered into a loan agreement with a company owned by the Chief Executive Officer to lend \$150,000. The principal amount of the loan plus accrued interest of 2% per month shall be payable on or before 10 days after notice in writing of demand by the Company, such demand not to be made before October 5, 2020.

In Jun 2020, the Company entered into a loan agreement with a Company owned by the Chief Executive Officer to lend \$100,000. The principal amount of the loan plus accrued interest of 2% per month shall be payable on or before 10 days after notice in writing of demand by the Company, such demand not to be made before November 20, 2020. The Company received a 5% interest in certain mineral claims of True Grit and Middle Ridge projects in Newfoundland as a loan fee.

LIQUIDITY AND CAPITAL RESOURCES AND CAPITAL EXPENDITURES

At July 31, 2020, the Company had working capital of \$1,491,288 (January 31, 2020 – \$185,143). Management of the Company is confident that it will have sufficient working capital to meet its anticipated financial obligations for the next fiscal year.

During the period ended July 31, 2020, cash flows used in operating activities was \$518,366 (2019 – \$53,600) relating to general operating expenses detailed on the statement of financial position (see www.sedar.com). The majority of these cash flows related to Management, director and consulting fees.

During the period from February 1, 2020 to September 29, 2020, the Company had the following share capital transactions:

- i) The Company issued 1,000,000 common shares at a value of \$270,000 pursuant to the acquisition of the Split Dome Copper Project.
- ii) The Company closed the first tranche of a non-brokered private placement and issued 9,990,000 common shares at \$0.075 per share for gross proceeds of \$749,250.
- iii) The Company closed the second tranche of a non-brokered private placement and issued 4,533,500 common shares at \$0.075 per share for gross proceeds of \$340,013.
- iv) The Company closed the final tranche of a non-brokered private placement and issued 2,220,000 common shares at \$0.075 per share for gross proceeds of \$166,500.
- v) The Company closed a non-brokered private placement and issued 500,000 common shares at \$0.15 per share for gross proceeds of \$75,000. The company paid \$6,739 cash in share issuance cost for this placement.
- vi) The Company issued 3,200,000 common shares at a value of \$960,000 pursuant to the acquisition of Compass Project.
- vii) The Company issued 3,800,000 common shares at a value of \$1,140,000 pursuant to the acquisition of Peak and Lions Den Gold Properties .
- viii) The Company issued 748,000 common shares pursuant to a non-brokered private placement at \$0.235 per share for gross proceeds of \$168,300.
- ix) The Company issued 85,716 common shares at a value of \$30,000 pursuant to the acquisition of JD Properties.

x)The Company issued 7,154,897 common shares at a value of \$3,040,831 pursuant to the acquisition of MagMetal Pty Ltd.

xi)The Company issued 125,000 common shares pursuant to the acquisition of the Belle property. The Company also issued 33,857 common shares as finder's fees.

xii)The Company issued 100,000 common shares pursuant to the acquisition of the More Creek Project. The Company also issued 45,143 common shares as finder's fees.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements.

PROPOSED TRANSACTIONS

The Company is continually involved in the review and evaluation of mineral projects. However, no agreements with respect to the acquisition of any such mineral projects have yet been entered into, and there can be no assurance that the Company will, in fact, be successful in entering into any such agreements or acquiring interests in any additional mineral properties, even if a formal letter of intent to proceed with formal negotiations is executed.

As at the date of this MD&A, there are no proposed transactions where the Board of Directors, or senior management who believe that confirmation of the decision by the board is probable, have decided to proceed with that have not been publicly disseminated.

ACCOUNTING POLICIES AND FUTURE ACCOUNTING POLICIES

Please refer to the July 31, 2020 condensed interim financial statements on www.sedar.com for details on accounting policies adopted in the period as well as future accounting policies.

FINANCIAL INSTRUMENTS AND FINANCIAL RISK

The Company's financial instruments consist of cash, accounts receivable, loan payable, marketable securities and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted. See Note 8 of the Company's condensed interim financial statements for the period ended July 31, 2020 for a discussion of the Company's risk exposure and the impact thereof on the Company's financial instruments.

The Company's cash at July 31, 2020 was \$43,689 and was primarily held at a major Canadian financial institution.

DISCLOSURE OF OUTSTANDING SHARE DATA (as at September 29, 2020)

Authorized Capital

Unlimited common shares without par value

Issued and Outstanding Capital

38,318,517 common shares outstanding

Warrants Outstanding

The following warrants were outstanding.

Expiry Date	Exercise Price	Number of warrants	Number of warrants Exercisable
June 5, 2021*	\$0.14	1,500,000	1,500,000
August 29, 2021	\$0.30	134,167	134,167
February 5, 2023	\$0.30	500,000	500,000

Expiry Date	Exercise Price	Number of warrants	Number of warrants Exercisable
June 5, 2021	\$0.14	1,500,000	1,500,000
August 29, 2021	\$0.30	107,001	134,167
February 5, 2023	\$0.30	500,000	500,000

Escrow Shares

The Company had 525,000 shares held in escrow as at July 31, 2020 and September 29, 2020.