LIDA RESOURCES INC.

Management's Discussion and Analysis

For the years ended August 31, 2022 and 2021

Dated: December 28, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis ("MD&A") reviews the financial condition and results of operations of Lida Resources Inc. (the "Company" or "Lida") for the years ended August 31, 2022. This MD&A should be read in conjunction with the Company's consolidated financial statements and the notes thereto for the years ended August 31, 2022 and 2021 (collectively referred to hereafter as the "annual financial statements"), which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and with the interpretations of the International Financial Reporting Interpretations Committee.

This discussion provides management's analysis of the Company's historical financial and operating results and provides estimates of the Company's future financial and operating performance based on information that is currently available. This discussion contains forward-looking statements that involve certain risks and uncertainties. See also "Forward-Looking Statements and Cautionary Factors That May Affect Future Results".

Additional information relating to the Company is available on SEDAR at www.sedar.com.

The following MD&A has been prepared by management, in accordance with the requirements of NI 51-102 as at December 28, 2022.

OVERVIEW

This MD&A has been prepared by management and reviewed by the audit committee of the Board. For the purposes of preparing this MD&A, management, in conjunction with the Board, considers the materiality of information and evaluates materiality with reference to all relevant circumstances, including potential market sensitivity. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the common shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) if it would significantly alter the total mix of information available to investors. 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 currency of the Company, unless specifically noted.

DESCRIPTION OF BUSINESS

The Company is an exploration stage company and, up to May 31, 2022, was in the process of exploring its mineral properties in Peru. The Company has not yet determined whether these properties contain ore reserves that are economically recoverable. The recoverability of amounts spent to purchase, explore, and develop mineral interests is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties, and the future profitable production or proceeds from disposition of the properties.

The Company will need additional funding in the near future through either equity or debt financing to acquire new projects. Many factors influence the Company's ability to raise funds, including the health of the capital market, the climate for mineral exploration investment, and the Company's track record. Actual funding requirements may vary from those planned due to several factors, including the funding of new projects. Management is approaching all identifiable sources of equity capital, but there is no guarantee that the Company will be able to secure additional financings in the future at terms that are favourable.

The Company's common shares commenced trading on the Canadian Securities Exchange on May 22, 2020 under the symbol "LIDA".

SHARE CONSOLIDATION

On August 16, 2021, the Company filed articles of amendment to complete an approved share consolidation of the Company's issued and outstanding common shares on the basis of 20 pre-consolidated common shares for one post-consolidated common share. All information relating to basic and diluted loss per share, issued and outstanding common shares, and per share amounts in this MD&A have been adjusted retrospectively to reflect the share consolidation.

HIGHLIGHTS

During the year ended August 31, 2022, the Company:

- Entered into various promissory notes payable agreements for total proceeds of $144,500 with arm's length parties. The promissory notes accrue interest at 10% to 20% per annum and are payable upon completion of a future financing.

During the year ended August 31, 2022, the Company did not have any share capital transactions.

OVERALL PERFORMANCE

There was minimal exploration activity during the year ended August 31, 2022. Due to the COVID-19 pandemic, exploration work on the Company's mineral interests was delayed while the focus was on permitting and acquiring surrounding properties for San Vincente in Peru. As at August 31, 2022, the Company had a working capital deficit of $933,210 (August 31, 2021 - $543,190). The Company has not generated any revenues from operations and has an accumulated deficit of $4,987,761 (August 31, 2021 - $3,492,403).

MINERAL EXPLORATION PROJECTS

The San Vicente Property

The Company, through its wholly owned Peruvian subsidiary, Imperium Mining S.A.C. ("Imperium"), is the holder of the San Vicente property (the "Property" or "San Vicente"). The Property is located approximately 120 kilometres east of the coastal city of Trujillo, Peru in the District of Agallpampa, Province of Otuzco, region of La Libertad. Peru is well known for its copper, silver, zinc, and gold deposits and has an active mineral exploration industry. The area near San Vicente boasts several other exploration and production sites.

Access to the Property is 70 kilometres by paved road to the community of Otuzco and then a combination of gravel and clay roads to Chota where the property is located. Otuzco and the community of San Vicente Bajo La Union, which is in close proximity to the Property, are capable of providing basic services and amenities in the support of mineral exploration activities. The Property is located in the occidental area of the Tertiary Volcanic Belt of the western Cordillera and is underlaid by rocks of the Calipuy Formation, a precious and base metals metallotects formation found in Peru.

During the year ended August 31, 2022, the Company decided not to pursue the San Vicente Property. Accordingly, management elected to discontinue exploration and was fully written off during the year ended August 31, 2022.

RESULTS OF OPERATIONS AND SELECTED QUARTERLY FINANCIAL DATA

The following financial data has been derived from the Company's annual financial statements for the years ended August 31, 2022 and 2021 and consolidated financial statements as at August 31, 2022 and 2021:

	2022	2021
	$	$
Financial results		
Net loss	**(1,495,358)**	(858,032)
Basic and diluted loss per share	**(0.54)**	(0.31)

	August 31, 2022	August 31, 2021
	$	$
Financial position		
Total assets	**46,575**	1,157,681
Total liabilities	**979,785**	584,421
Working capital deficiency	**(933,210)**	(543,190)

The three months ended August 31, 2022 compared to the three months ended August 31, 2021

During the three months ended August 31, 2022, the Company incurred a net loss of $98,430 (202,1 - $137,343), a change of $38,913, and incurred operating expenses of $82,770 (2021 - $136,047), a decrease of $53,277. Changes in operations are mainly attributed to the following:

- Consulting fees was $39,696 (2021 - $30,962), mainly consisting of market advisory.
- Exploration and evaluation costs were $55 (2021 - $35,199), primarily due to discontinued exploration.
- General and administrative was $8,810 (2021 - $27,677), primarily due to reduced operations compared to the three months ended August 31, 2021.
- Professional fees were $30,959 (2021 - $34,360), primarily due to reduced legal, audit, and accounting fees compared to the three months ended August 31, 2021 following the completion of the Company's initial public offering.
- Transfer agent and regulatory fees were $3,250 (2021 - $7,849), mainly attributed to the fees associated with the Company being publicly listed.

The year ended August 31, 2022 compared to the year ended August 31, 2021

During the year ended August 31, 2022, the Company incurred a net loss of $1,495,358 (2021 - $858,032), an increase of $637,326, and incurred operating expenses of $340,796 (2021 - $868,607), a decrease of $527,811. Changes in operations are mainly attributed to the following:

- Consulting fees was $129,696 (2021 - $446,073), mainly consisting of market advisory.
- Exploration and evaluation costs were $69,881 (2021 - $173,413), primarily due to discontinued exploration.
- General and administrative was $32,052 (2021 - $66,249), primarily due to reduced operations compared to the year ended August 31, 2021.
- Professional fees were $75,353 (2021 - $145,174), primarily due to reduced legal, audit, and accounting fees compared to the year ended August 31, 2021 following the completion of the Company's initial public offering.
- Transfer agent and regulatory fees were $33,814 (2021 - $37,698), mainly attributed to the fees associated with the Company being publicly listed.

During the year ended August 31, 2022, the Company recorded impairment of mineral property of $1,116,450 (2021 - $nil) upon writing off the San Vicente property and loss on write-down of prepaid expenses of $4,054 (2021 - $nil) related to a prepaid advance on a property acquisition that did not complete.

SUMMARY OF QUARTERLY RESULTS

The following table summarizes selected financial information for the last eight quarters:

	Q4 2022	Q3 2022	Q2 2022	Q1 2022
	$	$	$	$
Net loss for the quarter	**(98,430)**	(1,183,421)	(132,227)	(81,280)
Basic and diluted loss per share	**(0.03)**	(0.43)	(0.05)	(0.03)

	Q4 2021	Q3 2021	Q3 2021	Q2 2021
	$	$	$	$
Net loss for the quarter	(137,343)	(110,411)	(198,056)	(412,222)
Basic and diluted loss per share	(0.05)	(0.04)	(0.08)	(0.15)

LIQUIDITY AND CAPITAL RESOURCES

The Company does not have sufficient working capital to continue operations in the normal course of business for the foreseeable future and will require additional financing to remain financially solvent.

As at August 31, 2022, the Company had cash of $337 (August 31, 2021 - $4,186) and a working capital deficit of $933,210 (August 31, 2021 - $543,190). Whether and when the Company can obtain profitability and positive cash flows from operations is uncertain. The Company intends to finance its future requirements through a combination of debt and/or equity issuance. There is no assurance that the Company will be able to obtain such financings or obtain them on favorable terms. These uncertainties cast doubt on the Company's ability to continue as a going concern.

The Company's ability to continue its operations is dependent on its success in raising equity through share issuances, suitable debt financing and/or other financing arrangements. While the Company's management has been successful in raising equity in the past, there can be no guarantee that it will be able to raise sufficient funds to fund its activities and general and administrative costs in the next twelve months and in the future.

RELATED PARTY TRANSACTIONS

During the year ended August 31, 2022, the Company incurred $nil (2021 - $27,200) of consulting fees to the former Chief Executive Officer ("CEO"). As at August 31, 2022, the Company is indebted to the former CEO for $73,580 (August 31, 2021 - $64,580) related to the promissory note issued February 25, 2021.

During the year ended August 31, 2022, the Company incurred $30,000 (2021 - $32,524) of fees, recorded as general and administrative expenses, to a company controlled by the Chief Financial Officer ("CFO"). As at August 31, 2022, the Company had amounts due to the CFO of $42,000 (August 31, 2021 - $10,500) recorded in accounts payable and accrued liabilities.

During the year ended August 31, 2022, the Company incurred $nil (2021 - $22,428) of fees, recorded as professional fees to the former CFO, and a current director. During the year ended August 31, 2021, the Company agreed to a debt settlement with the former CFO. Under the terms of the agreement, the Company settled $30,000 in debt through the issuance of 30,000 common shares. The shares were issued on April 23, 2021 and a result of $6,000 was recognized as a gain on settlement of debt for the year ended August 31, 2021.

As at August 31, 2022, the Company had amounts due to the former CFO for $nil (August 31, 2021 - $4,148) recognized in accounts payable and accrued liabilities.

As at August 31, 2022, the Company had amounts due to related parties of $nil (August 31, 2021 - $10,000) for a balance owing to a former significant shareholder. The amount was reclassified to accounts payable and accrued liabilities during the year ended August 31, 2022.

All amounts due to related parties are non-interest bearing with no specific terms of repayment, with the exception of the promissory note owing to the former CEO.

The Company's total amount of related party transactions that occurred during the years ended August 31, 2022 and 2021 are as follows:

	2022	2021
	$	$
Consulting fees	**-**	27,200
General and administrative	**30,000**	33,341
Professional fees	**-**	22,428
Gain on settlement of debt	**-**	(6,000)
Interest expense	**9,000**	4,580
	39,000	81,549

SUBSEQUENT EVENTS

On August 31, 2022, the Company entered into an amalgamation agreement with Continental Potash Corp. ("Continental") and Continental Potash Operating Corp. ("Subco"), pursuant to which the Company, Continental and Subco will complete a three-cornered amalgamation (the "Transaction"), where Continental will amalgamate with Subco to form one corporation ("Amalco"). The Company will issue pro rata to the shareholders of Amalco 36,666,667 common shares ("Payment Shares") (subsequently amended to 39,166,667 common shares) as consideration for all issued and outstanding common shares of Amalco at a price of $0.25 per Payment Share; and will issue 6,666,667 common share purchase warrants (the "Replacement Warrants") exercisable at a price of $0.25 per Replacement Warrant for a period of 18 months. On closing of the Transaction, the Company

as the Resulting Issuer will change its name to "Continental Potash Corp." and Amalco will carry on the business of Continental under the name "Continental Potash Operating Corp." as a wholly owned operating subsidiary of the Resulting Issuer.
On October 25, 2022, the Company entered a promissory note payable agreement for $20,000 with Continental. The promissory note accrues interest at 10% per annum, is unsecured and is payable on demand.

On November 22, 2022, the Company entered a promissory note payable agreement for $9,000 with Continental. The promissory note accrues interest at 10% per annum, is unsecured and is payable on demand.

On December 1, 2022, the Company entered a promissory note payable agreement for $10,000 with Continental. The promissory note accrues interest at 10% per annum, is unsecured and is payable on demand.

OUTSTANDING SHARE DATA

As at the date of this MD&A, the Company had:

- 2,769,155 (August 31, 2022 - 2,769,155) common voting shares issued and outstanding;
- Nil (August 31, 2022 - Nil) warrants; and
- Nil (August 31, 2022 - Nil) agent warrants

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The following are key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the current and next fiscal financial years:

Critical accounting estimates

i. Share-based compensation and valuation of stock options

   The fair value pricing of stock options issued are subject to the limitations of the Black-Scholes Option Pricing Model that incorporates market data and involves uncertainty in estimates used by management in its assumptions. The Black-Scholes Option Pricing Model requires the input of highly subjective assumptions, including the volatility of share prices, changes in subjective input assumptions can materially affect the fair value estimate.

ii. Deferred income tax assets and liabilities

   Valuation of deferred tax assets requires the Company to estimate the expected manner and timing of the realization or settlement of the carrying value of its assets and liabilities. The Company applies the tax rates that are enacted or substantively enacted on the estimated dates of realization or settlement.

Critical accounting judgements

i. Going concern presentation

   Management has determined that the going concern presentation of the financial statements, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due, as discussed in Note 1 of the annual financial statements, is appropriate.

ii. Carrying value and recoverability of mineral interests

   The application of the Company's accounting policy for mineral interests and exploration and evaluation expenditures requires management to make certain estimates and assumptions about future events or circumstances, in particular, whether an economically viable extraction operation can be established. Estimates and assumptions made may change if new information becomes available. If information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in profit or loss in the period when the information becomes available.

iii. Functional currency

Determination of functional currency may involve certain judgments regarding the primary economic environment. The Company reconsiders the functional currency of the group if there is a change in events and conditions that contributed to the initial assessment of the primary economic environment. Management has determined that the functional currency for the Company is the Canadian dollar, and the functional currency of the Company's Peruvian subsidiary is the Sol.

PROPOSED TRANSACTIONS

There are no proposed transactions that have not been disclosed herein.

FINANCIAL INSTRUMENTS AND RISKS

Fair values

The Company's financial instruments consist of cash, loans receivable, accounts payables, promissory notes payable and due to related party and are held at amortized cost. The carrying values of these financial instruments approximate their respective fair values due to the term of these instruments

Credit risk

Credit risk is the risk of an unexpected loss if an exploration partner, counterparty, or third party to a financial instrument fails to meet its contractual obligations. To reduce credit risk, cash is on deposit at major financial institutions. The Company is not aware of any counterparty risk that could have an impact on the fair value of such investments. The carrying value of the financial assets represents the maximum credit exposure.

The Company minimizes credit risk by reviewing the credit risk of the counterparties to its arrangements on a periodic basis. The Company's concentration of credit risk and maximum exposure thereto relates to its cash held in the amount of $337 and goods and services tax receivable in the amount of $39,942.

Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they fall due. All of the Company's financial liabilities have contractual maturities of less than 90 days. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. As at August 31, 2022, the Company's cash balance of $337 (August 31, 2021 - $4,186) will not be sufficient to meet its obligations related to its accounts payable and accrued liabilities balance of $674,361 (August 31, 2021 - $447,555), promissory notes payable balance of $305,424 (August 31, 2021 - $126,866), amounts due to related party of $nil (August 31, 2021 - $10,000) and required administrative and exploration and evaluation expenditures over the next twelve months. Therefore, the Company is exposed to liquidity risk and will be required to raise additional capital in the future to fund its operations. Liquidity risk has been assessed as high.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return.

(a) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company manages its interest rate risk by maximizing the interest earned on excess funds while maintaining the liquidity necessary to fund daily operations. The Company is not exposed to significant interest rate risk.

(b) Foreign currency risk

The Company is exposed to foreign currency risk, as certain monetary financial instruments are denominated in US dollars ("US$") and Peruvian soles ("S/"). The carrying amounts of the Company's foreign currency denominated monetary assets are as follows:

	August 31, 2022	August 31, 2021
	$	$
Cash and cash equivalents	**60**	1,408
Prepaid expenses	**6,296**	9,657
Accounts payable and accrued liabilities	**(192,327)**	(125,846)

The Company has not entered into any foreign currency contracts to mitigate this risk. A 5% increase or decrease in the US dollars and Peruvian soles exchange rates would not result in a net impact of approximately $10,000 to the Company's loss or comprehensive loss for the year ended August 31, 2022.

CAPITAL DISCLOSURES

The Company manages its capital with the objectives of maintaining its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of promissory notes payable and issued share capital.

The Company manages its capital structure and makes adjustments to it in in light of changes in economic conditions and the risk characteristics of the underlying assets. The Company, upon approval from its Board of Directors, will balance its overall capital structure through issuance of new shares or by undertaking other activities as deemed appropriate under the specific circumstances.

The Company is not subject to externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remains unchanged since incorporation.

SIGNIFICANT ACCOUNTING POLICIES

The Company's significant accounting policies and methods of computation are disclosed in Note 3 of the consolidated financial statements for the years ended August 31, 2022 and 2021.

RISKS AND UNCERTAINTIES

The Company is in the mineral exploration and development business and is exposed to a number of operational, financial, regulatory, and other risks and uncertainties that are typical in the natural resource industry and common to other companies in the exploration and development stage. These risks may not be the only risks faced by the Company. Additional risks and uncertainties not presently known by the Company, or which are presently considered immaterial could adversely impact the Company's business, results of operations, and financial performance in future periods.

Limited operating history

The Company has not yet commenced operations and therefore has no history of earnings or of a return on investment, and there is no assurance that certain of its royalty or streaming interests or other assets will generate earnings, operate profitably, or provide a return on investment in the future. The likelihood of success of the Company must also be considered in light of the problems, expenses, difficulties, complications, and delays frequently encountered in connection with the establishment of any business. The Company's proposed business strategies incorporate its management's best analysis of potential markets, opportunities, and difficulties that it may face. No assurance can be given that the underlying assumptions will be achieved.

The Company has never paid a dividend and, while it currently intends to seek to pay dividends in the future, has no current plans to pay dividends. The future dividend policy of the Company will be determined by the Company's Board. The ability of the Company to raise capital, satisfy its obligations, and provide a return to its shareholders will be dependent on future performance.

Disclosure controls and internal controls over financial reporting

Disclosure controls and procedures are designed to provide reasonable assurance that material information is gathered and reported to senior management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to permit timely decisions regarding public disclosure.

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting. Any system of internal control over financial reporting, no matter how well designed, has inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

The Canadian Securities Administrators do not require any certification on the effectiveness of these controls at this time.

NI 43-101 compliance requirements

Under National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101"), if an issuer discloses in writing scientific or technical information about a mineral project on a property material to the issuer, the issuer must include in the written disclosure the name and the relationship to the issuer of the qualified person who: (a) prepared or supervised the preparation of the information that forms the basis for the written disclosure or (b) approved the written disclosure. For the purposes of this MD&A, William Feyerabend, PGeo, a geologist with more than 30 years of experience, is the Qualified Person for the purposes of NI 43-101 and has approved the written disclosure in this MD&A. This MD&A references a number of previous new releases in respect of disclosure of technical matters relating to mineral properties and reference should be made to these news releases to fully understand these references.

Government laws, regulation & permitting

Mining and exploration activities of the Company are subject to both domestic and foreign laws and regulations governing prospecting, development, production, taxes, labour standards, occupational health, mine safety, waste disposal, toxic substances, the environment, and other matters. Although the Company believes that all exploration activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. Amendments to current laws and regulations governing the operations and activities of the Company or more stringent implementation thereof could have a substantial adverse impact on the Company.

The operations of the Company will require licenses and permits from various governmental authorities to carry out exploration and development at its projects. There can be no assurance that the Company will be able to obtain the necessary licenses and permits on acceptable terms, in a timely manner or at all. Any failure to comply with permits and applicable laws and regulations, even if inadvertent, could result in the interruption or closure of operations or material fines, penalties, or other liabilities.

Additional financings

The Company expects to be substantially dependent upon the equity and debt capital markets or alternative sources of funding to pursue additional investments. There can be no assurance that such financing will be available to the Company on acceptable terms or at all.

Additional equity or debt financings may significantly dilute shareholders, increase the Company's leverage, or require the Company to grant security over its assets. If the Company is unable to obtain such financing, it may not be able to expand its portfolio of royalty or streaming assets and may not be able to execute on its business strategy. If the Company is unable to obtain financing for additional investments, it may determine to allocate income, if any, from other investments to finance additional investments.

There is no assurance that the Company will be successful in raising sufficient funds to meet its obligations or to complete all of the currently proposed exploration programs. If the Company does not raise the necessary capital to meet its obligations under current contractual obligations, the Company may have to forfeit its interest in properties or prospects earned or assumed under such contracts.

Key management and competition

The success of the Company will be largely dependent upon the performance of its key officers, consultants, and employees. Locating mineral deposits depend on several factors, not the least of which is the technical skill of the exploration personnel involved. Failure to retain key individuals or to attract or retain additional key individuals with necessary skills could have a materially adverse impact upon the Company's success.

While employment agreements are customarily used as a primary method of retaining the services of key employees, these agreements cannot assure the continued services of such employees. Any loss of the services of such individuals could have a material adverse effect on the Company's business, operating results, or financial condition.

The mining industry is intensely competitive in all of its phases, and the Company competes with many companies possessing greater financial resources and technical facilities than itself with respect to the discovery and acquisition of interests in mineral properties and the recruitment and retention of qualified employees and other persons to carry out its mineral exploration activities. Competition in the mining industry could adversely affect the Company's prospects for mineral exploration in the future.

Title to properties

Acquisition of rights to the mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed. Although the Company has investigated the title to all of the properties for which it holds concessions or other mineral leases or licenses or in respect of which it has a right to earn an interest, the Company cannot give any assurance that title to such properties will not be challenged or impugned.

Commodity prices

Mineral prices fluctuate widely and are affected by numerous factors beyond the control of the Company. The prices of mineral commodities have fluctuated widely in recent years. Current and future price declines could cause commercial production to be impracticable.

Conflicts of interest

The Company's directors and officers may serve as directors or officers of other companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the Company's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In accordance with the laws of British Columbia, the directors of the Company are required to act honestly, in good faith, and in the best interests of the Company. In determining whether or not the Company will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

Market price

An investment in the Company's securities is highly speculative, due to the high-risk nature of its business, lack of diversification, and the present stage of its development. Shareholders of the Company may lose their entire investment.

If the common shares are publicly traded, the market price of the common shares may be affected by many variables not directly related to the corporate performance of the Company, including the market in which it is traded, the strength of the economy generally, the availability and attractiveness of alternative investments, and the breadth of the public market for its shares. The effect of these and other factors on the market price of the common shares in the future cannot be predicted. The lack of an active public market could have a material adverse effect on the price of the common shares.

Global financial conditions may be volatile

Market events and conditions, including the disruptions in the international credit markets and other financial systems, in China, Japan, and Europe, along with political instability in the Middle East and Russia and falling currency prices expressed in US dollars have resulted in commodity prices remaining volatile. These conditions have also caused a loss of confidence in global credit markets, excluding the United States, resulting in the collapse of, and government intervention in, major banks, financial institutions, and insurers and creating a climate of greater volatility, tighter regulations, less liquidity, widening credit spreads, less price transparency, increased credit losses, and tighter credit conditions. Notwithstanding various actions by governments, concerns about the general condition of the capital markets, financial instruments, banks and investment banks, insurers, and other financial institutions caused the broader credit markets to be volatile and, up until recently, interest rates to remain at historical lows. These events are illustrative of the effect that events beyond the Company's control may have on commodity prices, demand for metals, including gold and silver, availability of credit, investor confidence, and general financial market liquidity, all of which may adversely affect the Company's business. Global financial conditions have always been subject to volatility. Access to public financing has been negatively impacted by sovereign debt concerns in Europe and emerging markets, as well as concerns over global growth rates and conditions. These and other factors may impact the ability of the Company to obtain equity or debt financing in the future and, if obtained, the favourability of the terms of such financing to the Company. Increased levels of volatility and market turmoil can adversely impact the Company's operations and the price of the common shares.

The company will be reliant on third party reporting

The Company relies, and will rely, on public disclosure and other information regarding the properties in which it has an interest that it receives from the owners, operators and independent experts of such operations. Such information is necessarily imprecise because it depends upon the judgment of the individuals who operate the properties, as well as those who review and assess the geological and engineering information. In addition, the Company must rely on the accuracy and timeliness of the public disclosure and other information it receives from the owners and operators of the properties, and uses such information in its analyses, forecasts, and assessments relating to its own business and to prepare its disclosure with respect to its streams and royalties. If the information provided by such third parties to the Company contains material inaccuracies or omissions, the Company's disclosure may be inaccurate and its ability to accurately forecast or achieve its stated objectives may be materially impaired, which may have a material adverse effect on the Company.

FORWARD-LOOKING STATEMENTS AND CAUTIONARY FACTORS THAT MAY AFFECT FUTURE RESULTS

Certain statements contained in the following MD&A constitute forward-looking statements (within the meaning of the Canadian securities legislation and the U.S. Private Securities Litigation Reform Act of 1995) that involve risks and uncertainties. Forward-looking statements are frequently, but not always, identified by words such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "possible" and similar expressions, or statements that events, conditions or results "will", "may", "could" or "should" occur or be achieved. The forward-looking statements may include statements regarding work programs, capital expenditures, timelines, strategic plans, market price of commodities, or other statements that are not statement of fact. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of the Company may differ materially from those reflected in forward-looking statements due to a variety of risks, uncertainties, and other factors. For the reasons set forth above, investors should not place undue reliance on forward-looking statements.

It is the Company's policies that all forward-looking statements are based on the Company's beliefs and assumptions which are based on information available at the time these assumptions are made. The forward-looking statements contained herein are as at April 29, 2022 and are subject to change after this date, and the Company assumes no obligation to publicly update or revise the statements to reflect new events or circumstances, except as may be required pursuant to applicable laws.

Information concerning the interpretation of drill results also may be considered forward-looking statements, as such information constitutes a prediction of what mineralization might be found to be present if and when a project is actually developed. The estimates, risks, and uncertainties described in this MD&A are not necessarily all of the important factors that could cause actual results to differ materially from those expressed in the Company's forward-looking statements. In addition, any forward-looking statements represent the Company's estimates only as at the date of this MD&A and should not be relied upon as representing the Company's estimates as at any subsequent date. The material factors and assumptions that were applied in making the forward-looking statements in this MD&A include: (a) execution of the Company's existing plans or exploration programs for each of its properties, either of which may change due to changes in the views of the Company, or if new information arises which makes it prudent to change such plans or programs; and (b) the accuracy of current interpretation of drill and other exploration results, since new information or new interpretation of existing information may result in changes in the Company's expectations. Readers should not place undue reliance on the Company's forward- looking statements, as the Company's actual results, performance, or achievements may differ materially from any future results, performance, or achievements expressed or implied by such forward-looking statements if known or unknown risks, uncertainties or other factors affect the Company's business, or if the Company's estimates or assumptions prove inaccurate. Therefore, the Company cannot provide any assurance that forward-looking statements will materialize.

Actual results or events could differ materially from the plans, intentions, and expectations expressed or implied in any forward-looking information or statements, including the underlying assumptions thereto, as a result of numerous risks, uncertainties, and factors including: the possibility that opportunities will arise that require more cash than the Company has or can reasonably obtain; dependence on key personnel; dependence on corporate collaborations; potential delays; uncertainties related to eventual realization of value from a mineral property; uncertainties as to fluctuation of the stock market; uncertainty of estimates of capital and operating costs; the need to obtain additional financing and uncertainty as to the availability and terms of future financing; uncertainties as to fluctuations in currency exchange rates and the possibility of unanticipated costs or expenses or cost overruns; and other risks and uncertainties which may not be described herein. The Company has no policy for updating forward looking information beyond the procedures required under applicable securities laws.