



MOSAIC MINERALS CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2023

Mosaic Minerals Corp.
Management Discussion and Analysis
For the three-month period ended Marc 31, 2023

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Mosaic Minerals Corp.
Management Discussion and Analysis
For the three-month period ended March 31, 2023

This management discussion and analysis ("MD&A") of Mosaic Minerals Corp. (the "Company") complies with Rule 51-102A of the Canadian Securities Administrators regarding continuous disclosure.

The MD&A is a narrative explanation, through the eyes of the management of the Company, of how the Company performed during the three-month period ended March 31, 2023, and of the Company's financial condition and future prospects. This discussion and analysis complement the year ended December 31, 2022 but does not form part of them.

All figures are in Canadian dollars unless otherwise stated. Additional information on the Company can be found on SEDAR at www.sedar.com. The shares of the Company are listed on the TSX Venture Exchange under the symbol "MOC".

1.0 DATE

This MD&A has been prepared on the basis of information available as of May 24, 2023.

2.0 FORWARD-LOOKING STATEMENTS

This MD&A includes forward-looking statements that reflect the Company's current expectations regarding future events. To the extent that such statements contain information that is not historical in nature, such statements are essentially forward-looking, and often contain words like "anticipate", "expect", "estimate", "intend", "project", "plan" and "believe". Forward-looking statements involve risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements. There are many factors that could cause such differences, including volatility of metal market prices, the impact of changes in foreign exchange or interest rates, imprecision in reserve estimation, environmental risks including increased regulatory burdens, unexpected geological conditions, adverse mining conditions, changes in government regulations and policies, including laws and policies, the failure to obtain the necessary permits and approvals from government authorities, and other development and operating risks.

While the Company believes that the assumptions inherent in the forward-looking statements are reasonable, readers should not place undue reliance on such statements, which only apply as at the date of this MD&A. The Company disclaims any intention or obligation to update or revise forward-looking statements as a result of new information, future events or otherwise, unless required to do so by applicable securities laws.

3.0 BUSINESS DESCRIPTION AND CONTINUITY OF OPERATIONS

The Company, incorporated under Canada Business Corporation Act, is a mining exploration company with exploration activities conducted in Quebec.

For the three-month period ended March 31, 2023, the Company recorded a net loss of \$ 434,134 (\$ 76,978 in 2022). Besides the usual needs for working capital, the Company must obtain funds to be able to meet its existing commitments under the exploration programs and to pay its overhead and administrative costs.

Management is periodically seeking to obtain financing through the issuance of equity securities, exercise of outstanding warrants for common shares and options to purchase shares in order to continue operations, and despite the fact it has been successful in the past, there is no guarantee of future success.

4.0 CORPORATE HIGHLIGHTS

General Corporate

- On February 28, 2023, the Company announced that 3,681,000 warrants and 100,000 options were exercised for total proceeds of \$ 391,150.

5.0 MINING ASSETS AND EXPLORATION EXPENSES

Gaboury Property

On May 12, 2021, the Company entered into a earn-in option agreement to acquire up to 80% of the Gaboury Nickel Copper Gold Property from Fokus Mining Corporation ("Fokus").

Pursuant to earn-in option agreement the Company may earn up to an 80% interest in the Gaboury Property in two tranches.

To earn the first 60% interest Mosaic will issue 3,000,000 shares from treasury by May 19, 2021, complete \$ 150,000 of exploration expenditures within 12 months of the share issue date and complete a further \$ 850,000 within thirty-six months of the share issue date.

To earn an additional 20% interest the Company must:

- a) notify Fokus of its intention to do so by June 30, 2024,
- b) incur \$ 500,000 of Expenditures per year for the next five years until June 30, 2029.
- c) complete a NI43-101 Resource Estimate including Indicated Resources.

The Company will be the operator during the earn-in periods. If the Company elects to complete the option at the 60% level, then Fokus shall be the project Operator.

The Gaboury property is composed of 82 mining claim cells totalling 4,282 hectares located approximately 150 km SW of the Rouyn Noranda mining camp and easily accessible by paved and gravel roads and 11 km East of former Loraine Mine that produced 600,000 tonnes of ore grading 0.47% Ni and 1.08% Cu (Source: SIGEOM GM 43679). The Loraine deposit was of magmatic mineralisation of Ni-Cu dominant associated to mafic and ultramafic intrusions.

In recent months, the company has carried out a high-resolution magnetic survey covering an area of approximately 1920 km with a spacing of 25 meters.

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5.0 MINING ASSETS AND EXPLORATION EXPENSES (continued)

On January 5, 2022, the Company announced that it has intersected in hole GA-21-07 a 165 m zone showing a grade of 0.26% Ni including 121.5 m at a grade of 0.32% Ni and 0.40% Ni over 15 meters.

Hole GA-21-07, located in the Pike West area, is located approximately 1.8 km west of the original Pike Nickel area. Hole GA-21-08 located 300m to the west revealed three sections of 13.5 m, 16.8 m and 18.2 m grading respectively 0.31% Ni, 0.26% Ni and 0.23% Ni in a nickel-bearing envelope 131.8 m at a grade of 0.17% Ni.

As for hole GA-21-01, carried out under historic hole GA-11-08 to verify its potential at depth, revealed a grade of 0.21% Ni over 122.9 m including 70.9 m at a grade of 0.25% Ni. These results confirm a potential for in-depth extension. Hole GA-11-08, completed in 2011, returned 0.20% Ni over 81 m.

Hole GA-21-06, located in the Pike East area approximately 1.4 km east of the historic Pike Center area, also reveals an anomalous nickel presence over more than 50 meters. As this hole started directly in the nickel anomaly, this result may not correspond to the actual thickness and grade of the zone there. Further drilling will be required to retest this area.

This same hole, however, intersected a previously unknown gold zone revealing a grade of 2.54 g / t Au over 1.65 m including 4.62 g / t Au over 0.8 meter. The gold occurs in a strongly magnetic, highly silicified iron formation with the presence of chalcopyrite.

On May 4, 2022, the Company announce that it has started the drilling on the property. This first phase of 1,200 m will be concentrated on the new claims acquired in the western part of the property. During 2022, the Company plans to complete twenty holes for approximately 7,000 m along a major magnetic anomaly approximately 9 km long associated with the three nickel showings discovered on this property.

On July 14, 2022, the Company and Fokus Mining Corporation "Fokus" concluded a property acquisition agreement. Fokus transfer its 40% interest in the property in consideration of 3,000,000 common shares of the Company. Fokus will retain a 2% NSR on the property. The Company now owns a 100% interest in the property.

On August 30, 2022, the Company announced drilling results on the Gaboury property hole GA-22-10 a grade of 0.23% Ni over a strike length of 120 meters. This hole is located about 200 meters in western extension of hole GA-21-08. Another nickel zone grading 0.25% over 17.55 meters was also intersected in this same hole.

This 1,000-meter drilling program completed in recent weeks included three holes located in the western part of the Pyke showing.

On April 11, 2023, the Company announced that it intersected in hole GA-23-13 a section of 159.5 meters grading 0.23% Ni including 96.5 meters grading 0.25% Ni and 51 meters grading 0.26% Ni. This hole is located on the Pike West showing.

Four holes for a total length of 1,120 meters were completed on this showing at the beginning of 2023. Three holes were drilled in the continuity of the Pike West showing while hole GA-23-15 was drilled to test a magnetic anomaly located south of the Pike West zone. That hole intersected a weakly mineralized and uninteresting intermediate intrusive.

Best results :

Holes	From (m)	To (m)	Length (m)	Ni (%)	Target
GA-23-12	118,5	133,5	15	0,16	643067/5243266
And	147	153	6	0,21	
And	207	219	12	0,17	
And	238,5	277,5	39	0,18	
GA-23-13	7	166,5	159,5	0,23	642282/5243489
Including	7	103,5	96,5	0,25	
Including	114	165	51	0,26	
GA-23-14	157,5	189	31,5	0,13	641668/5243435

Lichen Property

On May 19, 2021, the Company entered into a earn-in option agreement to acquire up to 100% of the Lichen Base Metals Property located in the Chapais-Chibougamau area of northern Quebec from Bullion Gold Resources Corporation ("Bullion").

To earn the 100% interest the Company issued 3,000,000 shares from treasury (issued), complete \$ 100,000 of exploration expenditures my May 31, 2022, and complete a further \$ 350,000 by May 31, 2023.

Bullion has retained a 2% NSR royalty of which Mosaic can buy back 50% any time for \$ 500,000. Mosaic has a first right of refusal to acquire Bullion's remaining 1% NSR.

The Lichen property, comprised of 178 cells totaling approximately 9,968 hectares, is accessible year-round by a set of forest roads maintained by forestry companies working in the sector.

5.0 MINING ASSETS AND EXPLORATION EXPENSES (continued)

Lichen Property (continued)

The property is underlain by the volcanic rocks of the Obatogamau formation intruded by stocks and plutons of intermediate composition. The volcanic belt is parallel to two known gold bearing volcanic belt, the Bachelor Lake gold area to the west and the Osisko-Windfall gold area to the south. The Nelligan Gold project and The Monster Lake Gold project are located at the eastern extremity of the volcanic belt. Numerous gold and copper showings are also found to the east and to the west of the property.

A similar geological environment to the Doré Lake Anorthosite Complex is also present within the property. In the Chibougamau mining camp, many of the copper-gold mines are in close proximity with the Doré Lake Anorthosite Complex. The volcanic belt is in direct contact with the Opawica River Anorthosite Complex and copper showing are present just to the northwest of the property. Many copper intercepts up 900 ppm Cu and up to 2.05 m were reported in close proximity with the contact the anorthosite complex.

113 North Property

On June 8, 2021, the Company concluded an agreement to acquire a 50% interest in the property, located north of the Val d'or mining district in Abitibi, Quebec and it's composed of 59 claims totaling 3010 ha.

In order to acquire a 50% interest in the property, the Company must meet the following requirements:

issue 2,000,000 common shares;

Invest \$ 500,000 in exploration and evaluation expenditures in the following 4 years;

Formation of a joint venture when the Company will be vested of 50% interest

In recent months, the company has conducted a high-resolution magnetic survey covering an area of approximately 1,482 km with a spacing of 25 meters. Several structures associated with folds and faults were detected by this magnetic survey. A drilling program planned for the next few weeks will also test some magnetic targets located in the southern part of the property. The company also intends to take a maxim survey north of the project in order to better define the potential drilling targets.

On July 14, 2022, the Company and Fokus Mining Corporation "Fokus" concluded a property acquisition agreement. Fokus will transfer its 50% interest in the property in consideration of 2,000,000 common shares of the Company. Fokus will retain a 2% NSR on the property. The Company now owns a 100% interest in the property.

On September 9, 2022, the Company announced that it has started the drilling campaign of a minimum of 1,000 meters on the 113 North property. The Company's management wants to test the possible continuity of an ultramafic associated with the Fortin/Ducros showing of Québec Nickel, located approximately 300 meters south of the property boundary.

Dalmas SM property

In November 2022, the Company staked various claims for the Dalmas SM property located east of the Adina lithium showings in Jamesie Quebec, at a cost of \$ 4,640.

Sakami SM property

In November 2022, the Company staked various claims for the Sakami SM property located in the James.Bay area Quebec, at a cost of \$ 1,760.

Bordier SM property

In November 2022, the Company staked various claims for the Border SM property located along the Ontario border, at a cost of \$ 3,300.

Gervais SM property

In November 2022, the Company staked various claims for the Gervais SM property located west of the -Sirmac and Moblan lithium showings, at a cost of \$ 1,925.

Macqua SM property

In November 2022, the Company staked various claims for the Maqua SM property located in the granitic suite of Vieux Comptoir, at a cost of \$ 11,040.

On April 25, 2023, Als Goldspot Discoveries ("AGD") has identified more than ten zones favorable to the presence of pegmatites, the majority of which are located in an east-west corridor of several kilometers starting from the Mia 1 and Mia 2 lithium showings. The Vieux Comptoir granitic suite offers an environment conducive to the presence of pegmatites that may contain spodumene, however, no sampling or geochemical survey has yet been done on this project.

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5.0 MINING ASSETS AND EXPLORATION EXPENSES (continued)

Lithium SM property

In November 2022, the Company staked various claims for the Lithium SM property located north of Lebel-Sur-Quevillon Quebec, at a cost of \$ 13,545.

On April 25, 2023, the property, according to data compiled by AGD, includes some lithium showings associated with the presence of pegmatites. One of these showings revealed a lithium value of 299 ppm while three other lithium showings taken along another pegmatite located in the same sector gave lithium values of up to 94 ppm. The various pegmatites identified on the property follow each other over several kilometers and have been analyzed very little over the years.

To the north of the property, other lithium showings up to a grade of 157 ppm are associated with strategic minerals such as copper and nickel. They are located in geological formations located near the tonalitic intrusives. Some drillings carried out in this sector by Umex in the 1970s showed the presence of sulphides favorable to the presence of strategic minerals. This project is accessible by a set of forest roads which will facilitate exploration work.

Pluton SM property

On February 2, 2023, the Company announced the acquisition of the Pluton SM property by staking and agreements with two independent prospectors. The property consists of 110 claims covering approximately 5,650 hectares located to the eastern edge of Patriot Battery Metals Corvette property in James Bay Quebec. In return of the 39 claims held by the prospectors, the Company will issue them respectively 450,000 and 1,000,000 shares of the Company and will grant them 0.50% NSR for one and 2% NSR for the other of which 1% may be bought back for \$1m.

Mirabelli SM property

On February 7, 2023, the Company announced the acquisition of the Mirabelli SM property by staking. The property consists of 290 claims covering approximately 15,370 hectares located about 15km south of the Eastman municipality.

On April 25, 2023, AGD has so far identified more than fifteen pegmatites without any analysis for lithium having been carried out in previous years. AGD also notes that several pegmatites are located along a major NE-SW trending fault, in contact with a paragneiss and a granite. Following their recommendation, the Company acquired by map staking 43 additional mining claims related to the property for a total of 333 claims covering an area of approximately 17,600 hectares.

6.0 INFORMATIONS ANNUELLES SÉLECTIONNÉES

	<u>December 31, 2022</u>	<u>December 31, 2021</u>	<u>December 31, 2020</u>
	\$	\$	\$
Statements of Financial Position			
Cash and term deposit	1,131,687	598,935	69,262
Total assets	2,772,876	1,771,900	543,332
Total liabilities	306,518	93,384	129,590
Share Capital	4,514,431	3,181,317	925,210
Statements of Financial Position			
Total operating expenses	(756,691)	(1,322,751)	(129,410)
Net loss for the year	(663,631)	(1,503,716)	(133,153)
Basic and diluted loss per share	(0,01)	(0,04)	(0,01)

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7.0 OPERATIONS RESULTS

For the three-month period ended March 31, 2023, the Company recorded a net loss of \$ 438,727 (a net loss of \$ 76,978 in 2022).

	<u>March 31, 2023</u>	<u>March 31, 2022</u>	<u>Variation</u>
	\$	\$	\$
Share-based payments (a)	143,815	-	143,815
Exploration and evaluation expenditures (b)	235,335	19,386	215,815

a) During the current period, the Company granted 1,750,000 options (nil in 2022).

b) The Company was more active during the current quarter with \$ 235,335 in exploration and evaluation expenditures (\$ 19,386 in 2022)

8.0 QUARTERLY REVIEW

Quarterly results for the periods ended

	<u>March 31, 2023</u>	<u>Dec 31, 2022</u>	<u>Sept 30, 2022</u>	<u>June 30, 2022</u>
		\$	\$	\$
Revenue	Nil	Nil	Nil	Nil
Net loss	(438,727)	(87,730)	(231,447)	(267,476)
Basic and diluted loss per share	(0.007)	(0.002)	(0.004)	(0.005)

	<u>March 31, 2022</u>	<u>Dec 31, 2021</u>	<u>Sept 30, 2021</u>	<u>June 30, 2021</u>
	\$	\$	\$	\$
Revenue	Nil	Nil	Nil	Nil
Net loss	(76,978)	(839,072)	(188,805)	(353,767)
Basic and diluted loss per share	(0.002)	(0.021)	(0.005)	(0.012)

9.0 LIQUIDITY AND FUNDING

The Company's main source of financing is the issuance of share capital. Each of its projects has demonstrated sufficient evidence of geological merit to warrant additional exploration.

However, it is not presently possible to estimate the cost of further exploration programs, which may or may not bring individual properties to a subsequent stage of development, since they are all exploration projects, and their development depends on exploration results and the ability to raise funds.

On March 31, 2023, the Company had a working capital of \$ 1,084,091 including a cash position of \$ 1,177,827, an accumulated deficit of \$ 3,117,542 and had a loss of \$ 438,727.

10.0 RELATED PARTY TRANSACTIONS

The Company's related parties include affiliated companies, Board of Director members and key management personnel.

Unless otherwise stated, none of the transactions incorporated special term and conditions and no guarantees has been given or received. Outstanding balances are usually settled in cash.

The following table shows the transactions with the officer:

	<u>March 31, 2023</u>	<u>March 31, 2022</u>
	\$	\$
Short-term management benefits		
Management fees	16,500	15,750
Professional fees	-	1,575
	<u>16,500</u>	<u>17,325</u>

The key management personnel compensation includes the following expenses:

The Company paid \$ 16,500 (\$ 15,750 in 2022) in management fees to 12137526 Canada Inc., a company controlled by Jonathan Hamel, the president and Chief Executive Officer of the Company and granted options to M. Hamel in 2023 worth \$ 41,090.

11.0 OFF-BALANCE SHEET TRANSACTIONS

There are no off-balance sheet transactions.

12.0 JUDGMENTS, ESTIMATES AND ASSUMPTIONS

When preparing the financial statements, management makes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses.

12.1 Significant management judgement

The following are significant management judgments in applying the accounting policies of the Company that have the most significant effect on the financial statements.

Recognition of deferred income tax assets and measurement of income tax expense

Management continually evaluates the likelihood that its deferred tax assets could be realized. This requires management to assess whether it is probable that sufficient taxable income will exist in the future to utilize these losses within the carry-forward period. By its nature, this assessment requires significant judgment. To date, management has not recognized any deferred tax assets in excess of existing taxable temporary differences expected to reverse within the carry-forward period.

Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures, meets its liabilities for the ensuing year, and to fund planned and contractual exploration programs, involves significant judgment based on historical experience and other factors including expectation of future events that are believed to be reasonable under the circumstances.

12.2 Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Impairment of exploration and evaluation assets

Determining if there are any facts and circumstances indicating impairment loss or reversal of impairment losses is a subjective process involving judgment and a number of estimates and assumptions in many cases.

When an indication of impairment loss or reversal of an impairment loss exists, the recoverable amount of the individual asset or the cash-generating units must be estimated.

In assessing impairment, the Company must make some estimates and assumptions regarding future circumstances, in particular, whether an economically viable extraction operation can be established, the probability that the expenses will be recover from either future exploitation or sale when the activities have not reached a stage that permits a reasonable assessment of the existence of reserves, the Company's capacity to obtain financial resources necessary to complete the evaluation and development and to renew permits. Estimates and assumptions may change if new information becomes available.

If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditures is unlikely, the amount capitalized is written off in profit or loss in the period when the new information becomes available.

Share-based payments

To estimate expenses for share-based payments, it is necessary to select an appropriate valuation model and obtain the inputs necessary for the valuation model chosen. The Company estimated the volatility of its own shares and the expected life and the exercise period of options and warrants granted. The model used by the Company is the Black-Scholes option pricing model.

Provisions and contingent liabilities

The judgement is used to determine whether a past event has created a liability that should be recognized in the consolidated financial statements or whether it should be disclosed as a contingent liability. Quantifying these liabilities involves judgments and estimates. These judgments are based on several factors, such as the nature of the claim or dispute, legal procedures and the potential amount to be paid, legal advice received, previous experience and the probability of the realization of a loss. Many of these factors are sources of estimation uncertainty.

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13.0 OUTSTANDING SHARE INFORMATION

	May 24, 2023
	Number
Common shares	67,758,071
Warrants	2,504,000
Broker warrants	227,500
Stock options	4,900,000
Total common shares fully diluted	76,389,571

14. SUBSEQUENT EVENT

No subsequent event.

15.0 BUSINESS RISKS

The company is exposed to various risks in relation to financial instruments. The main types of risks the Company is exposed to are market risk, credit risk and liquidity risk.

Credit risk

Credit risk is the risk that one party to a financial instrument fails to meet its obligation and causes the other party to incur a financial loss. The financial instrument which potentially expose the Company to credit risk mainly consists of cash and cash equivalent. The credit risk on cash and cash equivalent is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies. There, the company does not expect any treasury counterparties to fail in respecting their obligations. The carrying value of cash and cash equivalent represents the company's maximum exposure to credit risk.

As at March 31, 2023 the working capital is \$ 1,084,091. In order to continue its operation, the Company will have to find additional funds and despite the fact it has been successful in the past, there is no guarantee for the future. In fact, there remains a significant risk that the Company may not be able to find cash, even though management is optimistic about finding the necessary cash to implement its strategic plan.

16.0 OUTLOOK

During the period, the Company plans to;

- Finance its activities
- Maintain exploration work on its mining properties
- Analyze offers for potential acquisitions or joint venture.

The Company development strategy is focused on the discovery of economically profitable deposits, where the benefits of mining will ensure the Company's sustainability. Management, in implementing its development strategy, will take into account the exploration global context, the evolution of the stock market and the price of gold and metals.

17.0 INFORMATION COMMUNICATION CONTROLS AND PROCEDURES

In accordance with national instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") of the Corporation will file a Venture Issuer Basic Certificate with respect to the financial information contained in the interim financial statements and respective accompanying Management's Discussion and Analysis.

Unlike to the full certificate under NI 52-109, the basic venture issuer certificate includes a "Note to Reader" which states that CEO and CFO do not make no representations regarding the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as such terms are defined in NI 52-109.

18 .0 ADDITIONAL INFORMATION AND CONTINUOUS DISCLOSURE

This MD&A was prepared as of May 24, 2023. The Company regularly discloses additional information by filing press releases and quarterly financial statements on SEDAR (www.sedar.com). More information about the Company can be also found on SEDAR (www.sedar.com).

(signed) Jonathan Hamel
Jonathan Hamel
President and Chief Executive Officer