The following Management's Discussion and Analysis ("MD&A") is prepared as at December 1, 2021 in accordance with National Instrument 51-102F1, and should be read together with the condensed interim financial statements for the six months ended September 30, 2021 and related notes, and the audited financial statements for the year ended March 31, 2021 and related notes, which are prepared in accordance with International Financial Reporting Standards ("IFRS"). Additional information regarding the Company will be available through the SEDAR website at www.sedar.com.

Certain information included in this MD&A may constitute forward-looking statements. Statements in this report that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements.

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. The Company's forward-looking statements are based on the beliefs, expectations and opinions of management on the date the statements are made, and the Company does not assume any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change except as required by law. 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 of December 1, 2021, 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. Although management believes that the expectations represented by such forward-looking information or statements are reasonable, there is significant risk that the forward-looking information or statements may not be achieved, and the underlying assumptions thereto will not prove to be accurate.

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 other factors such as those described above and in "Risks and Uncertainties" below. The Company has no policy for updating forward-looking information beyond the procedures required under applicable securities laws.

All dollar figures are stated in Canadian dollars unless otherwise indicated.

The Company's Business

Hawkmoon Resources Corp. (the "Company") was incorporated on April 26, 2019 in British Columbia. The head office and registered and records office of the Company is located at 409 Granville Street, Suite 1000, Vancouver, British Columbia, Canada, V6C 1T2. The Company is a mineral property exploration company. On April 15, 2021, the Company was listed and commenced trading on the CSE on April 19, 2021 under the trading symbol "HM". On May 11, 2021, the Company also listed and commenced trading on the Börse Frankfurt in Germany under the symbol "966".

Property description

Romeo Property

By a mineral property option agreement dated May 17, 2019, the Company may acquire up to a 100% interest in the Romeo Property. This property consists of 53 mineral claims located in Quebec, Canada. As consideration, the Company will pay cash of $150,000, issue 1,500,000 common shares of the Company and incur $1,000,000 in exploration expenditures as follows:

a) Cash payment of $10,000 and issuance of 300,000 common shares within 60 days of acceptance of the Agreement (paid and issued);
b) Incur a minimum of $60,000 in exploration expenditures within the six months from the agreement date (incurred);
c) Cash payment of $20,000 and issuance of 300,000 common shares of the Company within 30 days on the listing of the Company on the CSE (paid and issued);
d) Cash payment of $30,000 and issuance of 300,000 common shares of the Company and incur $200,000 in exploration expenditures within one year after listing on the Canadian Securities Exchange ("CSE") (April 15, 2022);
e) Cash payment of $40,000 and issuance of 300,000 common shares of the Company and incur $340,000 in exploration expenditures within two years after listing on the CSE (April 15, 2023); and
f) Cash payment of $50,000, issuance of 300,000 common shares of the Company and incur $400,000 exploration expenditures within three years after listing on the CSE (April 15, 2024).

Should the Company acquire 100% of the property, the optionor will retain a 2% net smelter returns royalty, 1% of which may be purchased by the Company for $1,000,000.

Upon completing its obligations, the Company will hold a 100% interest in fifty-three unpatented un-surveyed map designated mining claims totaling approximately 2,984 hectares comprising the Property. The nearest towns are Chapais (80km to the northeast) and Lebel-sur-Quévillon (110km to the west). The city of Val d'Or is situated approximately 210 kilometres southwest of the Property.

The Romeo property is situated within the Urban-Barry greenstone belt located in the eastern portion of the Archaean aged Abitibi geological sub province (the "Abitibi"). The Abitibi is divided into two zones, the southern volcanic zone ("SVZ") and northern volcanic zone ("NVZ"). The Abitibi has been called a collage of two arcs, delineated by the Destor-Porcupine-Manneville fault zone. The SVZ is separated from Pontiac sedimentary rocks to the south by the Cadillac-Larder Lake fault zone (Daigneault et al. 2004). The NVZ is dated to be 2735-2705 Ma is the (10) times larger than the 2715-2697 SVZ. Granitic bodies, intrusions and layered complexes are common in the NVZ.

Wilson Gold Property

On April 22, 2021, the Company entered into an option agreement with Cartier Resources Inc. to acquire 100% interest in the Wilson gold property located in Verneuil township east of the town of Lebel-sur-Quevillon Quebec. The property comprises of 42 mineral claims totalling approximately 1,660 hectares. As consideration, the Company is required to pay cash of $1,000,000, issue an aggregate of 5,000,000 common shares, incur not less than $6,000,000 in exploration expenditures and drill a minimum of 24,000 metres over a period of five years as follows:

a) Cash payment of $200,000 and issuance of 700,000 common shares upon execution of the agreement (paid and shares issued);
b) Cash payment of $150,000, issuance of 700,000 common shares, minimum exploration expenditures of $750,000 and drilling of 3,000 m within the first anniversary date;
c) Cash payment of $150,000, issuance of 800,000 common shares, minimum exploration expenditures of

$750,000 and drilling of 3,000 m within the second anniversary date;

d) Cash payment of $250,000, issuance of 800,000 common shares, minimum exploration expenditures of $1,000,000 and drilling of 4,000 m within the third anniversary date;
e) Cash payment of $25,000, issuance of 1,000,000 common shares, minimum exploration expenditures of $1,500,000 and drilling of 6,000 m within the fourth anniversary date;
f) Issuance of 1,000,000 common shares, minimum exploration expenditures of $2,000,000 and drilling of 8,000 m within the fifth anniversary date.

On September 7, 2021, the Company announced it has drilled a total of 5,031 metres in 28 drill holes on the Wilson property and the results from some of the drill holes are promising. For more details on the assay please review the October 5 and 13 news release which can be found on sedar.

Lava Property

On May 18, 2021, the Company entered into an option agreement with two arms length individuals (the "Vendors") to acquire 100% interest in the Lava gold property located in Latulipe-et-Gaboury township of western Quebec. The property comprises of 42 mineral claims totalling approximately 2,115 hectares. As consideration, the Company will pay cash of $115,500, issue 1,320,000 common shares and complete $500,000 of work expenditures over three a year period as follows:

a) Cash payment of $16,500, issuance of 330,000 common shares within five business days of exchange acceptance (paid and shares issued);
b) Cash payment of $33,000, issuance of 330,000 common shares and incur $100,000 in exploration expenditures on or before the first anniversary date;
c) Cash payment of $33,000, issuance of 330,000 common shares and incur an additional $200,000 in exploration expenditures on or before the second anniversary date;
d) Cash payment of $33,000, issuance of 330,000 common shares and incur an additional $200,000 in exploration expenditures on or before the third anniversary date;

Upon exercise of the option, the Vendors will retain a 3% net smelter return royalty ("NSR") of which 1% NSR may be purchased by the Company for $1,000,000. In accordance with the agreement, the Company has issued 330,000 shares subsequent to the year end.

On August 26, 2021, the Company announced that it has expanded its Lava gold property to 48 claims covering 2,449 hectares by staking.

On November 11, 2021, the Company completed a 10-hole drill program totalling 1,005 metres on the 48-claim (2,449-hectare) Lava gold property. Lava is situated approximately 20 kilometres west of the town of Belleterre and 150 kilometres southwest of Val d'Or in the Abitibi-Temiscamingue region of Quebec. The property hosts the Lavallee 38, 39, 40 and 41 showings. Collectively, the showings expose multiple quartz veins, breccias and stockwork quartz veins within the northeast-striking Lavallee shear zone (LSZ). According to government maps, the bedrock geology Lava is composed of volcanics and gabbro in the southern portions. Much of the northern portions of the property is mapped as tonalite. All of the samples taken will be submitted to ALS Global in Valdor for assay.

Selected Annual Financial Information

The table below sets out certain selected financial information regarding the operations of the Company for the period indicated. The selected financial information has been prepared in accordance with IFRS and should be read in conjunction with the Company's financial statements and related notes.

	Year ended March 31, 2021	Period ended March 31, 2020
Revenue	$ -	$ -
Net loss and comprehensive loss	$ 451,729	$ 382,371
Loss per share	$ 0.02	$ 0.06
Total assets	$ 903,212	$ 206,207

The Company was incorporated on April 26, 2019 and March 31, 2020 was the Company's first fiscal year end. The Company did not record any revenues in the period ended March 31, 2020 and incurred a net loss of $382,371. The net loss of $382,371 in the period is largely attributed to consulting and general exploration cost and share-based compensation which was recorded in conjunction with the May 1, 2019 debt settlement. The Company's total assets for the period ended March 31, 2020 were $206,207 which is mainly made up of cash.

During the year ended March 31, 2021, the Company recorded a net loss of $451,729 as compared to $382,371 for the previous period ended March 31, 2020. The increase in expenses can be attributed consulting and professional fees incurred in connection with its IPO. Professional fees have increased to $74,080 from $13,335 in the previous period. The Company's total assets for the year ended March 31, 2021 were $903,212 which is mainly made up of cash.

The Company has not declared any dividends since its incorporation and does not anticipate paying cash dividends in the foreseeable future on its common shares, but intends to retain any future earnings to finance internal growth, acquisitions and development of its business. Any future determination to pay cash dividends will be at the discretion of the board of directors of the Company and will depend upon the Company's financial condition, results of operations, capital requirements and such other factors as the board of directors of deems relevant.

Selected Quarterly Financial Information

A summary of results for the eight quarters since incorporation follows:

	Sept. 30,2021 Qtr 2	June 30, 2021 Qtr 1	March 31, 2021 Qtr 4	Dec. 31, 2020 Qtr 3
Revenue	$ -	$ -	$ -	$ -
Net loss	$ 910,324	$ 743,642	$ 30,960	$ 137,746
Loss per share	$ 0.02	$ 0.02	$ 0.00	$ 0.00

	Sept. 30 2020 Qtr 2	June 30, 2020 Qtr 1	March 31, 2020 Qtr 4	Dec. 31, 2019 Qtr 3
Revenue	$ -	$ -	$ -	$ -
Net loss	$ 213,229	$ 69,794	$ 74,137	$ 80,266
Loss per share	$ 0.02	$ 0.01	$ 0.01	$ 0.01

Due to rounding, the figures for the Company's loss per share may not add up to the amount disclosed in the Company's annual financial statements.

During the quarter ended December 31, 2019, the Company recorded a net loss of $80,266 as compared to a net loss of $91,349 for the previous quarter a decline of approximately $11,000 which can be attributed to reduced exploration cost offset by an increase in consulting fees. During the quarter ended March 31, 2020, the Company incurred a net loss of $74,137 which is comparable to the net loss of $80,266 for the previous quarter. During the quarter ended June 30, 2020, the Company recorded a net loss of $69,794 which is consistent with the net loss of $74,137 for the previous quarter. During the quarter ended September 30, 2020, the Company recorded a net loss of $213,229 as compared to a net loss of $69,794 for the previous quarter. The increase can be attributed to exploration work and engagement of third-party consultants. During the quarter ended December 31, 2020, the Company recorded a net loss of $137,746 as compared to a net loss of $213,229 for the previous quarter. The decrease can be attributed to the decrease in engagement of third-party consultants in this quarter. During the quarter ended March 31, 2021, the Company recorded a net loss of $30,960 as compared to $137,746 for the previous quarter. The main decrease can be attributed to a reduction in exploration expenses incurred in the fourth quarter. During the three months ended June 30, 2021, the Company recorded a net loss of $749,142 as compared to $30,960. The increase can be attributed to the increase in consulting fees and the recording of share-based payments on stock options and restricted share units granted during the quarter. During the quarter ended September 30, 2021, the Company recorded a net loss of $910,324 as compared to the previous quarter of $749,142. The increase can be attributed to an increase in general exploration cost incurred.

Results of Operations

During the three months ended September 30, 2021:

The Company did not record any revenues in the three months ended September 30, 2021 and incurred a net loss of $910,324 as compared to $213,229 for the previous three months ended September 30, 2020. Total expenses for the three months ended September 30, 2021 amounted to $1,008,774 as compared to $213,229 for the comparable period an increase of approximately $796,000 that can be mainly attributed to an increase in general exploration cost to $723,998 from $50,039 as the Company completed its drill program on the Wilson Property. The Company saw an increase in marketing to $79,237 from $3,556 as the company engaged external parties to provide marketing and investor relations services. The Company also recognized share-based payments of $55,979 on restricted share units vested during the quarter. Share-based payment is a non-cash transaction. These increases were offset by a decrease in consulting fees to $102,797 from $132,076 due to a reduction in business advisory services for the current quarter.

During the six months ended September 30, 2021:

The Company did not record any revenues in the six months ended September 30, 2021 and incurred a net loss of $1,659,467 as compared to $283,023 for the previous six months ended September 30, 2020. The net loss in the current period was reduced by the recognition of $102,450 in other income that consisted of the premium on flow-through as the Company had met the flow-through commitment. Total expenses for the six months ended September 30, 2021 amounted to $1,746,917 as compared to $283,023 for the comparable period an increase of approximately $1,464,000 that can be attributed to an increase to consulting fees to $412,491 from $187,261 consisting of payments to external parties and fees to directors and officers of the Company (see related party section for details) for business advisory, capital market services and administrative services, increase in marketing to $160,389 from $3,556 as the Company engaged external parties to provide marketing and investor relations services to the Company and to update the Company's website and a corporate video, increase in professional fees to $47,891 from $15,902 represented residual cost associated with the completed of its initial public offering as the Company was listed on April 19, 2021. The Company also incurred $783,819 in general exploration costs as compared to $52,623 for the previous period to September 30, 2020 as the Company completed its summer drill program on the Wilson property. In addition, the Company recognized share-based payments of $273,762 on stock options and restricted share units granted and vested during the current period. Share-based payments is a non-cash transaction.

Fourth Quarter

N/A

Liquidity and Capital Resources

The Company's cash position as at September 30, 2021 was $393,913 (March 31, 2021 - $764,429) with a working capital of $585,796 (March 31, 2021 - $848,520). Total assets as at September 30, 2021 was $1,095,763 (March 31, 2021 - $206,207).

The Company believes that the current capital resources are not sufficient to pay overhead expenses and its upcoming exploration program for the next twelve months and is in the process of raising additional funding to fund its overhead expenses and its exploration program and potential future acquisitions. The Company will continue to monitor the current economic and financial market conditions and evaluate their impact on the Company's liquidity and future prospects.

Since the Company may not be able to generate cash from its operations in the foreseeable future, the Company will have to rely on the issuance of shares or the exercise of options and warrants to fund ongoing operations and investment. The ability of the Company to raise capital will depend on market conditions and it may not be possible for the Company to issue shares on acceptable terms or at all.

During August 2021, the Company completed a private placement 7,114,571 non-flow-through units ("NFT unit") at a price of $0.07 per NFT unit, and 3,415,000 flow-through units ("FT unit") at a price of $0.10 per FT unit for a total gross proceed of $341,500 of $839,520. Each NFT unit consist of one common share and one share purchase warrant entitling the holder to purchase one common share at a price of $0.17 per share for period of 24 months from date of issuance. Each FT unit consist of one flow-through common share and one share purchase warrant with similar terms as noted above. The recognized a flow-through premium of $102,450. In connection with the private placements, the Company paid cash finders fees of $60,176 and issued 477,330 finders' warrants exercisable at $0.17 per share for a period of 24 months from the date of issuance. These finders' warrants were fair valued at $9,547 using the Black-Scholes Option Pricing Model with the following assumptions: risk-free interest rate of 0.45%; dividend yield of 0%; volatility of 100% and expected life of two years and a stock price of $0.07. Since the Company does not have enough history of trading prices, the Company utilized annualized volatility of comparable startup companies.

On April 16, 2021, the Company completed its offering and issued 7,500,000 units for gross proceeds of $750,000. Each Unit is comprised of one common share and one Share purchase warrant (a "Warrant") entitling the holder to acquire one Common Share at a price of $0.15 per share expiring on April 16, 2023 subject to the option of the Company to accelerate the expiry date of the Warrants if the weighted average trading price of the Common Shares during the 10 consecutive trading days immediately prior to the date on which such calculation is made is equal to or greater than $0.25. In connection with the offering, the Company paid a cash finder's fee totaling $115,213 consisting of a commission of $60,000, corporate finance fee of $25,000 plus GST and other costs totaling $30,213. The Company also issued 600,000 agent's warrants exercisable at $0.15 per share expiring on April 16, 2023. These finders' warrants were fair valued at $48,000 using the Black-Scholes Option Pricing Model with the following assumptions: risk-free interest rate of 0.31%; dividend yield of 0%; volatility of 100% and expected life of two years and a stock price of $0.15. Since the Company does not have enough history of trading prices, the Company utilized annualized volatility of comparable startup companies.

On April 16, 2021, the Company issued 650,000 common shares for total proceeds of $37,500 and 100,000 share purchase warrants exercisable at $0.15 for a period of two years from the date of issuance.

The Company manages its capital structure in order to ensure sufficient resources are available to meet operational requirements and safeguard its ability to continue as a going concern. There are no externally imposed capital requirements on the Company. Management considers the items included in shareholders' equity (deficit) and working capital as capital. The Company manages the capital structure and makes adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets. The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the operation of the Company. To secure the additional capital necessary to pursue these plans, the Company intends to raise additional funds through equity or debt financing.

Going Concern

These condensed interim financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company was not expected to continue operations for the foreseeable future. At September 30, 2021, the Company has not achieved profitable operations, has accumulated losses of $2,493,567 (March 31, 2021 - $834,100) since inception and expects to incur further losses in the development of its business.

Off Balance Sheet Arrangements

The Company does not have any off balance sheet arrangements.

Financial Instruments

The Company's risk exposures and the impact on the Company's financial statements are summarized below.

Credit risk

Financial instruments that potentially expose the Company to credit risk is cash. To minimize the credit risk on cash the Company places the instrument with a high credit quality financial institution. The maximum exposure to loss arising from these advances is equal to their total carrying amounts.

Interest rate risk

The Company is exposed to interest rate risk to the extent that the cash maintained at the financial institutions is subject to floating rate of interest. The interest rate risks on cash and on the Company's obligations are not considered significant.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The key to success in managing liquidity is the degree of certainty in the cash flow projections.

The Company monitors its cash flows to meet the Company's normal operating requirements on an ongoing basis and its planned capital expenditures. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. As at September 30, 2021, the Company had a working capital of $585,796 (March 31, 2021 - $848,520).

Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold and other precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Related Party Transactions

Related party transactions are comprised of services rendered by directors and/or officers of the Company or by a company with a director and/or officer in common. Related party transactions are in the ordinary course of business and are measured at the exchange amount.

Key Management Compensation

Key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, and include the Company's executive officers and members of the Board of Directors. Key management compensation consisted of the following:

The following expenses were incurred with key management personnel of the Company. Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include certain directors and officers. Key management compensation comprises:

	For the six months ended September 30, 2021	2020
Consulting fees		
Branden Haynes, Director and CEO	$ 60,000	$ 30,000
Hugh Oswald, Director	-	6,500
Thomas Clarke, Director, VP explorations	-	-
Company controlled by Director and CFO	18,000	-
	78,000	36,500
General exploration		
Company controlled by Director and VP explorations	104,104	-
Rent		
Company controlled by Director and VP explorations	1,000	-
Company controlled by Director and CFO	4,800	-
	5,800	-
Share-based payment		
Branden Haynes, Director and CEO	64,042	-
Geoff Balderson, Director and CFO	64,042	-
Hugh Oswald, Director	35,579	-
Thomas Clarke, Director and VP explorations	64,042	-
	227,705	-

	$	415,609	$	36,500

Included in prepaid expenses at September 30, 2021 is $67,339 (March 31, 2021 - $4,179) in prepaid consulting fees and advances on expenses to the CEO and a company controlled by the VP of explorations.

Included in accounts payable and accrued liabilities at September 30, 2021 is $11,671 (March 31, 2021 - $7,445) in unpaid consulting fees and other balances owing to directors and officers of the Company. These amounts owing are unsecured, due on demand, and non-interest bearing and are as follows:

	Relationship		**September 30, 2021**		**March 31, 2021**
Accounts payable					
Branden Haynes	Director and CEO	$	3,419	$	3,055
Geoff Balderson	Director and CFO		1,000		1,000
Hugh Oswald	Director		1,000		1,000
Thomas Clarke	Director, VP explorations		6,252		2,390
		$	11,671	$	7,445

Proposed Transaction

See subsequent events.

The Company has announced its intention to carry out a non-brokered private placement of (i) flow-through units at the price of 10 cents per FT unit and (ii) non-flow-through units at the price of nine cents per NFT unit. Through the offering, the company intends to raise aggregate gross proceeds of up to $1.5-million.

Each FT unit will be composed of one common share of the company, issued on a flow-through basis pursuant to the Income Tax Act (Canada), and one common share purchase warrant, each such warrant to entitle the holder to acquire one additional common share for a period of two years from the date of issuance, at a price of 12 cents. Each NFT unit will be composed of one common share and one common share purchase warrant, each such warrant to entitle the holder to acquire one additional common share for a period of two years from the date of issuance, at a price of 12 cents.

Subsequent Events

Subsequent to September 30, 2021

The Company entered into a purchase option agreement to acquire 100% interest in the Wilson East property, which is contiguous to the Wilson Property. The property composed of six claims totalling approximately 338 hectares situated 15 kilometres east of the own of Lebel-sur-Quevillon, Quebec. As consideration, the Company agrees to an aggregate cash payment of $86,000 and issuance of 400,000 common shares over a three-year period. On completion of the earn-in the optionors will retain a net smelter return of 1.5% of which the Company can repurchase 0.5% for $600,000.

The Company issued 427,500 common shares pursuant to the terms of the RSU.

Outstanding Share Data

Below is the summary of the Company's share capital as at September 30, 2021 and as of the date of this report:

	As at	
Security description	September 30, 2021	MD&A
Common shares – issued and outstanding	50,035,672	50,463,172
Share purchase warrants	27,512,171	27,512,171
Finders' warrants	1,164,830	1,164,830
Stock options	1,710,000	1,710,000
Restrict stock units	1,282,500	855,000
Common shares – fully diluted	81,705,173	81,705,173

Critical Accounting Estimates and Judgments

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements within the next financial year are discussed in note 4 to the condensed interim financial statements.

Business and Industry Risks

Speculative Nature of Investment Risk

An investment in securities of the Company involves a high degree of risk and must be considered highly speculative due to the nature of the Company's business and the present stage of exploration and development of its mineral properties. In addition to information set out or incorporated by reference in this MD&A, prospective investors should carefully consider the risk factors set out below. Any one risk factor could materially affect the Company's financial condition and future operating results and could cause actual events to differ materially from those described in forward looking statements relating to the Company.

No Operating History

The Company was incorporated on April 26, 2019 and has not commenced commercial operations. The Company has no history of earnings or paid any cash dividends, and it is unlikely to produce earnings or pay dividends in the immediate or foreseeable future.

Exploration and Mining Risks

Resource exploration and development and mining operations are highly speculative and characterized by a number of significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate, including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits, but from finding mineral deposits which, though present, are insufficient in quantity and quality to be mined profitability. Few properties that are explored are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration and development programs will result in any discoveries of bodies of commercial mineralization. There is also no assurance that even if commercial quantities of mineralization are discovered, a mineral property will be brought into commercial production. The Company will continue to rely upon the advice and work of consultants and others for exploration, development, construction, and operating expertise.

Substantial expenditures are required to establish and upgrade mineral resources, to establish mineral reserves, to develop metallurgical processes to extract metals from mineral resources and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. No assurance can be given that the funds required for development can be obtained on a timely basis. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size and grade; metal prices which are highly cyclical; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. Unsuccessful exploration and development programs could have a material adverse impact on the Company's operations and financial condition.

Factors beyond the Company's Control

The mining exploration business is subject to a number of factors beyond the Company's control including changes in economic conditions, intense industry competition, variability in operating costs, changes in government and in rules and regulations of various regulatory authorities. An adverse change in any one of such factors would have a material adverse effect on the Company, its business and results of operations which might result in the Company not identifying a body of economic mineralization, completing the development of a mine according to specifications in a timely, cost effective manner or successfully developing mining activities on a profitable basis.

Reliance on Independent Contractors

The Company's success depends to an extent on the performance and continued service of certain independent contractors. The Company has contracted the services of professional drillers and others for exploration, environmental, engineering, and other services. Poor performance by such contractors or the loss of such services could have a material and adverse effect on the Company, its business and results of operations and result in the Company failing to meet its business objectives.

Additional Funding Required

Further exploration on, and development of, the Company's properties may require significant additional financing. Accordingly, the continuing development of the Company's properties will depend upon the Company's ability to obtain financing through equity financing, debt financing, the joint venturing of projects or other external sources. Failure to obtain sufficient financing may result in a delay or an indefinite postponement of exploration, development, or production on any or all of the Company's properties, or even a loss of property interest, or have a material adverse impact on the Company's future cash flows, earnings, results of operations and financial condition or result in the substantial dilution of its interests in its properties. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favorable to the Company. If the Company was required to arrange for debt financing it could be exposed to the risk of leverage, while equity financing

may cause existing shareholders to suffer dilution. There can be no assurance that the Company will be successful in overcoming these risks or any other problems encountered in connection with such financings. Failure to raise capital when needed would have a material adverse effect on the Company's business, financial condition, and results of operations.

The Company has and will continue to have negative operating cash flow until its mineral property commence commercial production should exploration and development efforts demonstrate that commercial production from such mineral properties is feasible.

Market Price of Common Shares

The trading price of the common shares is likely to be significantly affected by short term changes in mineral prices or in its financial condition or results of operations as reflected in its quarterly earnings reports. Other factors unrelated to the Company's performance that may have an effect on the price of the common shares include the following: the extent of analytical coverage available to investors concerning the Company's business; the lessening in trading volume and general market interest in the Company's securities may affect an investor's ability to trade significant numbers of common shares; and the price of the common shares and size of the Company's public float may limit the ability of some institutions to invest in the Company's securities.

As a result of any of these factors, the market price of the common shares at any given point in time may not accurately reflect the Company's long-term value. Securities class action litigation often has been brought against companies following periods of volatility in the market price of their securities. The Company may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

Increased Costs of Being a Publicly Traded Company

If we successfully list on the Exchange, we will incur significant additional legal, accounting and filing fees that at present, are not required. Securities legislation and the rules and policies of the Exchange require listed companies to, among other things, adopt corporate governance and related practices, and to continuously prepare and disclose material information all of which will significantly increase legal and financial compliance costs.

COVID-19 Public Health Crisis

The Company's business, operations and financial condition could be materially and adversely affected by the outbreak of epidemics or pandemics or other health crises, including the recent outbreak of COVID-19. To date, there have been a large number of temporary business closures, quarantines and a general reduction in consumer activity in Canada. The outbreak has caused companies and various governmental bodies to impose travel, gathering and other public health restrictions. While these effects are expected to be temporary, the duration of the various disruptions to businesses locally and internationally and the related financial impact cannot be reasonably estimated at this time. Similarly, the Company cannot estimate whether or to what extent this outbreak and the potential financial impact may extend. Such public health crises can result in volatility and disruptions in the supply and demand for gold and other metals and minerals, global supply chains and financial markets, as well as declining trade and market sentiment and reduced mobility of people, all of which could affect mineral prices, interest rates, credit ratings, credit risk, share prices and inflation. The risks to the Company of such public health crises also include slowdowns or temporary suspensions of operations in locations impacted by an outbreak, interruptions to supply chains and supplies upon on which the Company relies, restrictions that the Company and its contractors and subcontractors impose to ensure the safety of employees and others, increased labor costs, regulatory changes, political or economic instabilities or civil unrest.

The Company has and will continue to take measures recommended by Health Canada and applicable regulatory bodies, as appropriate. To date, the Company has introduced a "work from home policy" affecting its two executive officers and has reduced travel and transitioned to virtual meetings where feasible. At this point, the extent to which COVID-19 will or may impact the Company is uncertain and these factors are beyond the Company's control; however, it is possible that COVID-19 may have a material adverse effect on the Company's business, results of operations and financial condition.

Fluctuating Mineral Prices

The Company's revenues in the future, if any, are expected to be in large part derived from the extraction and sale of precious and base minerals and metals, which in turn depend on the results of the Company's exploration on these properties and whether development will be commercially viable or even possible. Factors beyond the control of the Company may affect the marketability of metals discovered, if any. Metal prices have fluctuated widely, particularly in recent years, including as a result of the significant market reaction to COVID-19. Consequently, the economic viability of any of the Company's exploration projects cannot be accurately predicted and may be adversely affected by fluctuations in mineral prices.

Competition

The mining industry is intensely competitive in all its phases. The Company competes for the acquisition of mineral properties, claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees with many companies possessing greater financial resources and technical facilities than the Company. The competition in the mineral exploration and development business could have an adverse effect on the Company's ability to hire or maintain experienced and expert personnel or acquire suitable properties or prospects for mineral exploration in the future.

Resale of Common Shares

The continued operation of the Company will be dependent upon its ability to generate operating revenues and to procure additional financing. There can be no assurance that any such revenues can be generated or that other financing can be obtained. If the Company is unable to generate such revenues or obtain such additional financing, any investment in the Company may be lost. In such event, the probability of resale of the Common Shares by any investor of the Company would be diminished.

Community Groups

There is an ongoing level of public concern relating to the effects of mining on the natural landscape, on communities and on the environment. Certain non-governmental organizations, public interest groups and reporting organizations ("NGOs") who oppose resource development can be vocal critics of the mining industry. Any such actions and the resulting media coverage could have an adverse effect on the reputation and financial condition of the Company or its relationships with the communities in which it operates, which could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Price Volatility of Publicly Traded Securities

In recent years, the securities markets in Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the Common Shares will be subject to market trends generally, notwithstanding any potential success of the Company in executing on its business plan, creating revenues, cash flows or earnings. The value of the Common Shares will be affected by such volatility. There is currently no public market for the Common Shares. An active public market for the Common Shares might not develop or be sustained after the Listing Date. If an active public market for the Common Shares does not develop, the liquidity of a shareholder's investment may be limited and the share price may decline below the price at which the Special Warrant were issued.