The following Management's Discussion and Analysis ("MD&A") is prepared as at August 29, 2022 in accordance with National Instrument 51-102F1, and should be read together with the unaudited condensed interim financial statements for the period ended June 30, 2022 and the audited financial statements for the year ended March 31, 2022 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 the date of the MD&A 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".

In July, 2021, the Company commenced diamond drilling on the Wilson gold project. 5,031 metres were completed, covering 28 holes. In October, 2021, assay results showed results of 4.0 metres at 17.31 grams per tonne (g/t) (DDH HMW 21-01). The highest gold values were 58.8 g/t in hole HMW 21-01 (twin) and 38.00 g/t in hole HMW 21-09. Additional assays were 3.0 metres at 11.25 g/t gold with grades up to 30.9 g/t (DDH HMW 21-08 (twin)) and in December, 2021, further results of 1.0 m of 10 g/t Au t (DDH HMW 21-24) were released that demonstrated that several holes had intersected at least one altered and mineralized zone.

In November, 2021, the Company completed a 10-hole drill program totalling 1,005 metres on its 48-claim (2,449-hectare) Lava gold property, also located in the province of Quebec near the town of Belleterre. The drill program successfully intersected a wide prospective gold zone in all 10 drill holes.

On November 25, 2021, the Company acquired a 100-per-cent interest in the Wilson East property consisting of six claims totalling approximately 338 hectares contiguous to the east of the Wilson property. The agreement expanded the company's existing land interest to approximately 2,000 hectares in a prospective area.

The Company was able to get in a full season of work in Quebec, with the majority taking place in the Toussaint and Midrim showings on the Wilson gold project. The Wilson property provided exceptional drill results extending the zones to depth and along trend, growing what were already gold-bearing zones spanning multiple rock formations. The zones remain open for further extension. Further assay results are expected soon from the Wilson and Lava properties.

Property description

As at June 30, 2022 and March 31, 2022	Romeo Property	Wilson Property	Lava Property	Total
Balance, March 31, 2021	$ 16,000	$ -	$ -	$ 16,000
Cash – payment	20,000	212,000	16,500	248,500
Shares issued	37,500	96,000	33,000	166,500
Write-off of mineral property	(73,500)	-	-	(73,500)
Balance, March 31, 2022	$ -	$ 308,000	$ 49,500	$ 357,500
Cash – payment	-	150,000	33,000	183,000
Shares issued	-	31,500	13,200	44,700
Balance, June 30, 2022	$ -	$ 489,500	$ 95,700	$ 585,200

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.

During the year ended March 31, 2022, management of the Company decided not to continue with the Romeo property and wrote-off the acquisition cost of $73,500 to the statement of loss and comprehensive loss.

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 3,000m within the first anniversary date; (subsequently paid, issued and incurred)
c) Cash payment of $150,000, issuance of 800,000 common shares, minimum exploration expenditures of $750,000 and drilling of 3,000m 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 4,000m within the third anniversary date;
e) Cash payment of $250,000, 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 8,000m 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 releases which can be found on sedar.

During November 2021, the Company entered into a purchase option agreement with three arms length individuals (the "Vendors") to acquire 100% interest in six mining claims which is contiguous to the Wilson gold property. As consideration, the Company will pay cash of $86,000 over three years ($12,000 paid) and issue 400,000 common shares (200,000 common shares issued) over a three year period. Upon exercise of the option, the Vendors will retain 1.5% NSR of which 0.5% may be purchased by the Company for $600,000.

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; (subsequently paid, issued and incurred);
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.

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, 2022	Year ended March 31, 2021	Period ended March 31, 2020
Revenue	$ -	$ -	$ -
Net loss and comprehensive loss	$ 3,005,054	$ 451,729	$ 382,371
Loss per share	$ 0.06	$ 0.02	$ 0.06
Total assets	$ 1,619,543	$ 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.

During the year ended March 31, 2022, the Company recorded a net loss of $3,005,054 as compared to $451,729 for the previous year ended March 31, 2021. The increase in expenses can be attributed to the increase in consulting fees, general exploration costs, marketing, share-based payments and professional fees. The Company's total assets for the year ended March 31, 2022 were $1,619,543 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.

<u>Selected Quarterly Financial Information</u>

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

	June 30, 2022 Qtr 1	March 31, 2022 Qtr 4	Dec. 30, 2021 Qtr 3	Sept. 30, 2021 Qtr 2
Revenue	$ -	$ -	$ -	$ -
Net loss	$ 360,721	$ 619,531	$ 726,057	$ 910,324
Loss per share	$ 0.00	$ 0.01	$ 0.01	$ 0.02

	June 30, 2021 Qtr 1	March 31, 2021 Qtr 4	Dec. 31, 2020 Qtr 3	Sept. 30 2020 Qtr 2
Revenue	$ -	$ -	$ -	$ -
Net loss	$ 749,142	$ 30,960	$ 137,746	$ 213,229
Loss per share	$ 0.02	$ 0.00	$ 0.00	$ 0.02

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 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. During the quarter ended December 31, 2021, the Company recorded a net loss of $726,057 as compared to the previous quarter of $910,324. The decrease can be attributed to a decline in exploration expenditures. During the quarter ended March 31, 2022, the Company recorded a net loss of $619,531 as compared to $726,057 for the previous quarter. The decrease can be attributed to a decline in exploration expenditures. During the quarter ended June 30, 2022, the Company recorded a net loss of $360,721 as compared to $619,531 for the previous quarter. The decrease can be attributed to a reduction in consulting fees, general explorations and share-based payments.

Results of Operations

The Company did not record any revenues in the three months ended June 30, 2022 and incurred a net loss of $360,721 as compared to $749,142 for the comparable quarter ended June 30, 2021. Total expense for the current quarter was $364,951 as compared to $738,142 for the comparable quarter a decrease of approximately $373,000. The decrease can be attributed to the decrease in consulting fees from $246,262 down to $89,901 for the current quarter. There were fewer external parties that provide business advisory and capital market services. Share-based payments have decreased from $217,783 down to $4,685 for the current quarter. There were no stock options granted in the current quarter just RSU vested.

During the current quarter, the Company incurred $46,999 in general exploration cost mainly on the Wilson property.

Fourth Quarter

N/A

Liquidity and Capital Resources

The Company's cash position as at March 31, 2022 was $807,701 (March 31, 2022 - $1,038,138) with a working capital of $723,664 (March 31, 2022 - $949,705). Total assets as at June 30, 2022 was $1,626,885 (March 31, 2022 - $1,619,543).

The Company believes that the current capital resources are not sufficient to pay overhead expenses for the next twelve months and is in the process of raising additional funding to fund its overhead expenses 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.

On May 16, 2022, the Company completed a private placement of 3,000,000 units at a price of $0.05 per unit for total proceeds of $150,000. Each unit consisted of one common share and one share purchase warrant entitling the holder to purchase one common share at a price of $0.05 per share expiring on May 16, 2024. In connection with the private placement the Company paid cash finders fee of $12,005 and issued 560,000 finder's warrants exercisable at $0.07 per share expiring on May 16, 2024. These finder's warrants were fair valued at $8,911 using the Black-Scholes Option Pricing Model with the following assumptions: risk-free interest rate of 2.53%; dividend yield of 0%; volatility of 100% and expected life of two years and a stock price of $0.04. Since the Company does not have enough history of trading prices, the Company utilized annualized volatility of comparable startup companies.

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 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 June 30, 2022, the Company has not achieved profitable operations, has accumulated losses of $4,199,875 (March 31, 2022 - $3,839,154) since inception and expects to incur further losses in the development of its business. The above material uncertainties cast significant doubt about the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent upon successful results from its exploration and evaluation activities, its ability to attain profitable operations to generate funds and/or its ability to raise equity capital or borrowings sufficient to meet its current and future obligations. Although the Company has been successful in the past in raising funds to continue operations, there is no assurance it will be able to do so in the future.

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 June 30, 2022, the Company had a working capital of $723,664 (March 31, 2022 - $949,705).

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

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 three months ended June 30, 2022	2021
Consulting fees		
Branden Haynes, Director and CEO	$ 30,000	$ 30,000
Thomas Clarke, Director, VP explorations		
Company controlled by Director and CFO	9,000	9,000
	39,000	39,000
General exploration		
Company controlled by Director and VP explorations	28,602	39,560
Rent		
Company controlled by Director and VP explorations	1,500	1,000
Company controlled by Director and CFO	2,400	2,400
	3,900	3,400
Share-based payment		
Branden Haynes, Director and CEO	1,233	49,311
Geoff Balderson, Director and CFO	1,233	49,311
Hugh Oswald, Director	685	27,395
Thomas Clarke, Director and VP explorations	1,233	49,311
	4,384	175,328
	$ 75,886	$ 257,288

Included in prepaid expenses at June 30, 2022 is $13,423 (March 31, 2022 - $9,823) in advances on expenses to the CEO and VP of explorations.

As at June 30, 2022, due to related party of $43,487 (March 31, 2022 - $40,865) is an amount due from the CEO of the Company. It is unsecured, non-interest bearing, and due on demand.

Included in accounts payable and accrued liabilities at June 30, 2022 is $11,144 (March 31, 2022 - $12,044) 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	June 30, 2022	March 31, 2022
Accounts payable			
Branden Haynes	Director and CEO	$ 3,019	$ 3,919
Geoff Balderson	Director and CFO	4,000	4,000
Hugh Oswald	Director	1,000	1,000
Thomas Clarke	Director, VP explorations	3,125	3,125
		$ 11,144	$ 12,044

Proposed Transaction

N/A

Subsequent Events

Subsequent to June 30, 2022:

On July 8, 2022, the Company granted 5,000,000 stock options to directors and consultants of the company. The stock options entitle the holders thereof the right to purchase one common share for each option at $0.05 per share and expires five years from date of grant.

On July 20, 2022, the Company competed a private placement of 100,000 units at a price of $0.05 per unit for total proceeds of $5,000. Each unit consisted of one common share and one share purchase warrant. Each share purchase warrant entitles the holder to purchase one common share of the Company at a price of $0.07 per share expiring on July 20, 2024.

On July 26, 2022, the Company competed a private placement of 600,000 units at a price of $0.05 per unit for total proceeds of $30,000. Each unit consisted of one common share and one share purchase warrant. Each share purchase warrant entitles the holder to purchase one common share of the Company at a price of $0.07 per share expiring on July 26, 2024.

Outstanding Share Data

Below is the summary of the Company's share capital as at June 30, 2022 and as of the date of this report:

	As at	
Security description	June 30, 2022	MD&A
Common shares – issued and outstanding	74,968,837	75,668,837
Share purchase warrants	51,175,004	51,875,004
Finders' warrants	2,988,379	2,988,379
Stock options	1,710,000	6,710,000

Common shares – fully diluted	130,842,220	137,242,220

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 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.

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.

Ukraine Conflict

The Company's business financial condition and results of operations may be further negatively affected by economic and other consequences from Russia's military action against Ukraine and the sanctions imposed in response to that action in late February 2022. While the Company expects any direct impacts, of the pandemic and the war in the Ukraine, to the business to be limited, the indirect impacts on the economy and on the mining industry and other industries in general could negatively affect the business.

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.