

ARCHER EXPLORATION CORP.
(formerly Lift Capital Corp.)

Management's Discussion and Analysis

For the years ended September 30, 2021 and 2020

Dated: January 28, 2022

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This Management's Discussion and Analysis ("MD&A") supplements, but does not form part of, the financial statements of Archer Exploration Corp. ("Archer" or the "Company") and the notes thereto for the years ended September 30, 2021 and 2020 (collectively referred to hereafter as the "financial statements"). The following MD&A of the financial condition and results of operations of the Company has been prepared by management and should be read in conjunction with the Company's financial statements for the years ended September 30, 2021 and 2020. Additional information relating to the Company is available on SEDAR at www.sedar.com.

The financial statements have been prepared by management in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). All amounts are expressed in Canadian dollars unless otherwise stated. Other information contained in this document has also been prepared by management and is consistent with the data contained in the financial statements.

The Company's certifying officers are responsible for ensuring that the financial statements and MD&A do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made. The Company's certifying officers certify that the financial statements together with the other financial information included in the filings fairly present in all material respects the financial condition, financial performance and cash flows of the Company as of the date of and for the periods presented in the filings.

The Company's Audit Committee and the Board of Directors provide an oversight role with respect to all public financial disclosures by the Company. The Board of Directors approves the financial statements and MD&A after the completion of its review and recommendation for approval by the Audit Committee, which meets periodically to review all financial reports, prior to filing.

The effective date of this MD&A is January 28, 2022 (the "MD&A Date").

Forward-looking statements

Certain statements contained in this document constitute "forward-looking statements". All statements other than statements of historical fact contained in this MD&A, including, without limitation, those regarding the Company's future financial position and results of operations, strategy, proposed acquisitions, plans, objectives, goals and targets, and any statements preceded by, followed by or that include the words "believe", "expect", "aim", "intend", "plan", "continue", "will", "may", "would", "anticipate", "estimate", "forecast", "predict", "project", "seek", "should" or similar expressions or the negative thereof, are forward-looking statements. These statements are not historical facts but instead represent only the Company's expectations, estimates and projections regarding future events. These statements are not guarantees of future performance and involve assumptions, risks and uncertainties that are difficult to predict. Therefore, actual results may differ materially from what is expressed, implied or forecasted in such forward-looking statements.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to risks associated with: geological risks; limited operating history; inability to generate earnings or pay dividends for the foreseeable future; no current assets other than cash and prepaid expenses; uncertain ability to raise additional funds when required; reliance on a small number of key managers lacking backup; potential conflicts of interest among directors and officers of the Company; lack of liquidity for shareholders of the Company; ability to secure needed permits, ability to physically access and work the Company's property assets due to poor weather, a potential lack of key contract personnel and services providers needed to execute elements of the Company's exploration plans, and market risk consisting of fluctuations in the Company's share price, metal prices, credit market conditions and investor appetite for early stage exploration companies. See "Risks and Uncertainties".

Management provides forward-looking statements because they believe such statements deliver useful guidance and information to readers when considering their investment objectives. Though management believes such statements to be as accurate as possible in the context of the information available to management at the time in which they are made, management cautions readers that the guidance and information contained in such statements may rapidly be superseded by subsequent events. Consequently, all of the forward-looking statements made in this MD&A are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments suggested by such forward-looking statement will be realized or, even if substantially realized, that they will have the expected results, or effects upon, the Company. These forward-looking statements are made as of the date of this MD&A and the Company assumes no obligation to update or revise them to reflect subsequent information, events or circumstances or otherwise, except as required by law.

The forward-looking statements in this MD&A are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company will operate in the future, including assumptions regarding business and operating strategies.

Description of the business

The Company was incorporated on October 26, 2018 and focuses on the exploration of mineral claims located in Quebec, Canada. The Company has selected September 30 as its fiscal year end. The Company trades on the Canadian Stock Exchange (the "Exchange") under the symbol "RCHR". The Company's registered and records office is 400 Burrard Street - Suite 1050, Vancouver BC, V6C 3A6, Canada.

Costs relating to the acquisition and claim maintenance of exploration and evaluation assets (including option payments and annual fees to maintain the property in good standing) are capitalized and deferred by property until the project to which they relate is sold, abandoned, impaired or placed into production.

The Company expenses all exploration, evaluation and development expenditures until management concludes that a future economic benefit is more likely than not to be realized.

The Company has no operating cash flow and its level of expenditures is dependent on the sale of debt and equity capital to finance its exploration operations. Therefore, it is difficult to identify any meaningful trends or develop an analysis from cash flows.

Liquidity and capital resources

The Company is in the exploration stage and therefore has no cash flow from operations. Its only source of funds since incorporation has been from the sale of common shares, special warrants, and units. During the year ended September 30, 2021, it has raised \$1,148,000 from the sale of shares and units that consist of common shares and warrants and \$120,000 from the sale of special warrants that consist of common shares and warrants.

As at September 30, 2021, current assets were \$1,498,277 and current liabilities were \$224,611, resulting in working capital of \$1,273,666. As at September 30, 2020, current assets were \$217,486 and current liabilities were \$8,392, resulting in working capital of \$209,094. The increase in working capital during the year ended September 30, 2021 is a result of the increase in cash, prepaid expenses and exploration and evaluation assets. As at September 30, 2021, the Company had total assets of \$1,535,777 which is comprised of \$731,346 of cash, \$761,334 of prepaid expenses, GST/HST receivable of \$5,597, and exploration and evaluation property of \$37,500.

The Company is in the process of exploring mineral claims. The Company has not yet determined whether or when the claims could be economically viable.

While the information in the financial statements has been prepared in accordance with IFRS on a going concern basis, which presumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future, there are conditions and events that cast significant doubt on the validity of this presumption. The Company's ability to continue as a going concern is dependent upon achieving profitable operations and upon obtaining additional financing. While the Company is making its best efforts in this regard, the outcome of these matters cannot be predicted at this time.

Results of operations

The net loss for the year ended September 30, 2021 was \$734,797 (2020 - \$8,406), attributable to exploration and evaluation costs of \$182,807 (2020 - \$nil), filing and legal fees of \$35,761 (2020 - \$nil), general and administrative costs of \$36,751 (2020 - \$706), marketing costs of \$525 (2020 - \$nil), professional fees of \$279,999 (2020 - \$7,700), rent of \$12,600 (2020 - \$nil), share-based payments of \$21,956 (2020 - \$nil), and other expenses (income) of \$164,398 (2020 - \$nil), all of which have increased over the prior year comparable period due to the Company having increased activity. Professional fees consist of audit, accounting, and consulting fees.

Selected quarterly financial information

Three months ended	Net loss	Weighted average number of shares	Basic and diluted loss per share
	\$	#	\$
September 30, 2021	408,457	18,342,815	0.02
June 30, 2021	109,623	13,788,250	0.01
March 31, 2021	185,406	13,348,250	0.01
December 31, 2020	31,311	12,159,348	0.00
September 30, 2020	8,406	4,796,721	0.00
June 30, 2020	-	-	-
March 31, 2020	-	-	-
December 31, 2019	-	-	-

Disclosure of outstanding security data

As of September 30, 2021, the Company had:

- 19,528,250 common shares issued and outstanding.
- 12,095,000 warrants outstanding, of which 7,800,000 are exercisable at \$0.10, 1,200,000 are exercisable at \$0.15, and 3,095,000 are exercisable at \$0.50. The weighted average remaining contractual life of warrants outstanding is 0.93 years.
- 1,045,313 options outstanding, of which 45,000 are exercisable at \$0.10, and 200,063 are exercisable at \$0.12. The weighted average remaining contractual life of options outstanding is 4.53 years.

As of the date of this MD&A, the Company has:

- 25,528,248 common shares issued and outstanding.
- 15,094,999 warrants outstanding, of which 7,800,000 are exercisable at \$0.10, 1,200,000 are exercisable at \$0.15, and 6,094,999 are exercisable at \$0.50.
- 2,545,313 options outstanding, of which 45,000 are exercisable at \$0.10, and 200,063 are exercisable at \$0.12, and 300,000 are exercisable at \$0.51.

Financial instruments and other instruments

The carrying values of cash, trade and other payables approximate their fair values because of the short-term maturity of these financial instruments.

Off-balance sheet arrangements

The Company does not have any off-balance sheet arrangements and does not contemplate having them in the foreseeable future.

Proposed transactions

Additional information relating to the proposed transactions is available on SEDAR at www.sedar.com. The Company has no undisclosed proposed transactions as at September 30, 2021 or at the date of this MD&A.

Use of estimates

Preparing financial statements requires management to make estimates and assumptions that affect the reported results. The estimates are based on historical experience and other assumptions believed to be reasonable under the circumstances. Critical accounting policies are disclosed in the annual audited financial statements for the years ended September 30, 2021 and 2020.

Transactions between related parties

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and Corporate Officers.

During the years ended September 30, 2021 and 2020, the Company incurred the following expenses in the ordinary course of business with related parties that are not a subsidiary of the Company.

	Years ended September 30,	
	2021	2020
Professional fees	\$ 126,321	\$ 1,500
Share-based payments	15,077	-

As at September 30, 2021, the Company had \$46,916 (September 30, 2020 - \$1,500) due to related parties included in trade and other payables. Interest is not charged on outstanding balances and there are no specific terms of repayment.

Accounting policies

A detailed summary of all of the Company's significant accounting policies are disclosed in the annual financial statements for the years ended September 30, 2021 and 2020.

Risks and uncertainties

A thorough description of the risks associated with the Company's exploration and other business activities can be found in the Form 2A - Listing Statement dated February 5, 2021 and posted under the Company's profile on SEDAR (www.sedar.com) as of that date.

An investment in the Company's common shares is highly speculative and subject to very real risks and uncertainties, the occurrence of any one or more of which could have a material adverse effect on the value of any investment in the Company and the business, prospects, financial position or operating results of the Company. The risk factor listing noted below is in no particular order and is not an exhaustive list of all risk factors associated with an investment in the Company's common shares or in connection with the operations of the Company.

- Geological risk and the highly uncertain and speculative nature of mineral exploration
- Early-stage nature of the Company: i.e. a limited operating history and financial resources, no earnings, limited cash assets
- Lack of insurance against operating risks in the field and elsewhere
- Changes to government regulations, including environmental regulations
- Ability to secure and comply with government permits
- Reliance on a small number of key managers and experts and a lack of immediate backup or replacements
- Competition for key personnel and mineral properties
- Potential conflicts of interest among the Company's directors and/or officers
- Potential cost overruns and delays
- Timely availability of labour, contractors and key services
- Weather risks
- Property title disputes
- Metal price fluctuations
- Receptivity of capital markets to junior exploration projects
- Stock price volatility and lack of liquidity
- Litigation

Global pandemic

In 2020, the global outbreak of coronavirus (COVID-19) resulted in changes in global supply and demand of certain mineral and energy products. These changes, including a potential economic downturn and any potential resulting direct and indirect negative impact to the Company cannot be determined, but they could have a potential material impact to the Company's project exploration activities, cash flows and liquidity. Various restrictions on gatherings, work and access to remote communities near the Company's project may also impact the Company's ability to perform exploration activities at the project.

Additional information

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

Subsequent events

On October 1, 2021, the Company closed its non-brokered private placement, previously announced on September 10, 2021. The private placement raised gross proceeds of \$1,500,000 issuing 5,999,998 units (the "Units") at a price of \$0.25 per Unit (the "Private Placement"). Each Unit consists of one common share and one-half common share purchase warrant (a "Warrant"). Each Warrant entitles the holder to acquire an additional common share for \$0.50 for a period of twenty-four months from the date of closing of the Private Placement.

On October 20, 2021, the Company granted an aggregate of 1,500,000 stock options to a director and officers of the Company. These stock options have an exercise price of \$0.51, a five-year life, and vest over a period of 36 months with 20% vested upon the date of grant, 20% will vest on October 20, 2022, 20% will vest on October 20, 2023, and 40% will vest on October 20, 2024.

Subsequent events (continued)

On December 13, 2021, the Company entered into a securities exchange agreement with Echelon Minerals Ltd. ("Echelon") and the shareholders of Echelon, pursuant to which it will acquire all of the issued and outstanding shares of Echelon. Subject to customary closing conditions and regulatory approvals, Archer will acquire 100% of the issued and outstanding shares of Echelon in consideration for an aggregate 2,524,772 common shares of the Company at a deemed price of \$0.50 per share.