NEVADA LITHIUM RESOURCES INC.
(FORMERLY HERMES ACQUISITION CORP.)

MANAGEMENT'S DISCUSSION & ANALYSIS

For the three months ended July 31, 2021

(Unaudited - Expressed in Canadian Dollars)

The following Management's Discussion & Analysis ("MD&A") has been prepared by management, in accordance with the requirements of NI 51-102 as of September 29, 2021 and should be read in conjunction with the unaudited condensed interim consolidated financial statements for the three months ended July 31, 2021 and the audited consolidated financial statements the period from December 17, 2020 (date of incorporation) to April 30, 2021, and the related notes contained respectively therein which have been prepared under International Financial Reporting Standards ("IFRS"). The information contained herein is not a substitute for detailed investigation or analysis on any particular issue. The information provided in this document is not intended to be a comprehensive review of all matters and developments concerning the Company. Except as otherwise disclosed, all dollar figures included therein and in the following MD&A are quoted in Canadian dollars.

In this MD&A, "Nevada Lithium", the "Company", or the words "we", "us", or "our", collectively refer to Nevada Lithium Resources Inc.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

Certain statements in this document constitute forward-looking information under applicable securities legislation. Forward- looking information typically contains statements with words such as "anticipate", "believe", "estimate", "will", "expect", "plan", "intend", or similar words suggesting future outcomes or an outlook. Forward-looking information in this document includes, but is not limited to:

- our business plan and investment strategy; and
- general business strategies and objectives.

Such forward-looking information is based on a number of assumptions which may prove to be incorrect. Assumptions have been made with respect to the following matters, in addition to any other assumptions identified in this document which includes, but is not limited to:

- taxes and capital, operating, general & administrative and other costs;
- general business, economic and market conditions;
- the ability of the Company to obtain the required capital to finance its investment strategy and meet its commitments and financial obligations;
- the ability of the Company to obtain services and personnel in a timely manner and at an acceptable cost to carry out activities; and
- the timely receipt of required regulatory approvals.

Although the Company believes that the expectations reflected in such forward-looking information are reasonable, undue reliance should not be placed on them as there can be no assurance that such expectations will prove to be correct. Forward-looking information is based on expectations, estimates and projections that involve a number of risks and uncertainties which could cause actual results to differ materially than anticipated and described in the forward-looking information. The material risks and uncertainties include, but are not limited to:

- meeting current and future commitments and obligations;
- general business, economic and market conditions;
- the uncertainty of estimates and projections relating to future costs and expenses;
- changes in, or in the interpretation of, laws, regulations or policies;
- the ability to obtain required regulatory approvals in a timely manner;
- the outcome of existing and potential lawsuits, regulatory actions, audits and assessments; and
- other risks and uncertainties described elsewhere in this document.

The foregoing list of risks is not exhaustive. For more information relating to risks, see the section titled "Risk Factors" herein. The forward-looking information contained in this document is made as of the date hereof and, except as required by applicable securities law, the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise.

(Expressed in Canadian dollars, unless otherwise noted)

BUSINESS OVERVIEW

Nevada Lithium Resources Inc. (formerly Hermes Acquisition Corp) (the "Company") is a mineral resource company principally engaged in the business of the exploration and evaluation of mineral properties. Its objective is to locate and develop mineral properties, focusing initially in Nevada, USA. The Company was incorporated under the Business Corporations Act of British Columbia on December 17, 2020. On March 2, 2021, the Company changed its name from Hermes Acquisition Corp to Nevada Lithium Resources Inc. The address of the Company's registered and records office and principal place of business is 1500-1055 West Georgia Street, Vancouver, British Columbia, Canada, V6E 4N7.

On January 29, 2021, the Company acquired Nevada Lithium Corp., based in Nevada, USA. Nevada Lithium Corp. is a 100% owned subsidiary of the Company. Through the acquisition of Nevada Lithium Corp., entered into an option agreement dated November 30, 2020 (the "Option Agreement"), and as last amended on September 22, 2021, to acquire up to a 50% interest in the Bonnie Claire lithium project located in Nye County, Nevada, subject to 0.5% net smelter returns royalty.

In March 2020, there was a global outbreak of COVID-19, which continues to rapidly evolve. The extent to which the COVID-19 coronavirus may impact the Company will depend on future developments, which are highly uncertain and cannot be predicted with confidence, such as the ultimate geographic spread of the disease, the duration of the outbreak, travel restrictions, social distancing, business closures or business disruptions, and the effectiveness of actions taken by countries to contain and treat the disease.

OVERALL PERFORMANCE AND RESULTS OF OPERATIONS

The following table contains selected information from the Company's condensed interim consolidated financial statements for the three months ended July 31, 2021 and the period from December 17, 2020 (date of incorporation) to April 30, 2021:

	$	$
Total revenue	**-**	-
Net loss from continuing operations	**115,746**	139,138
Net loss per common share – basic and diluted	**0.00**	0.00
Total assets	**5,066,629**	5,047,518
Total current liabilities	**69,813**	90,987
Total non-current liabilities	**-**	-

For the three months ended July 31, 2021

For the three months ended April 30, 2021, the Company had no revenue and incurred operating expenses of $115,746. Operating expenses consisted of general and administrative expenses of $4,416, management and consulting fees of $41,251, marketing and shareholder communication fees of $53,920, and professional fees of $16,159.

For the period from December 17, 2020 to April 30, 2021

The Company was incorporated on December 17, 2020. From the date of incorporation to its fiscal year end on April 30, 2021, the Company had no revenue and incurred operating expenses of $139,138. Operating expenses consisted of general and administrative fees of $489, management and consulting fees of $53,129, marketing and shareholder communication expenses of $51,088, professional fees of $34,679, and offset by an unrealized foreign exchange gain of $247.

(Expressed in Canadian dollars, unless otherwise noted)

Summary of quarterly results

The following table contains results from the Company's audited financial statements for the three months ended July 31, 2021 and the period from December 17, 2020 (date of incorporation) to April 30, 2021:

	July 31, 2021	April 30, 2021
Total revenue	**-**	-
Net Loss from continuing operations	**$115,746**	$139,138
Net Loss from continuing operations per share, basic and diluted	**0.00**	0.00

HIGHLIGHTS IN THE PERIOD

Exploration and evaluation assets

The Company, through the acquisition of Nevada Lithium Corp., entered into an option agreement dated November 30, 2020 (the "Option Agreement"), and as last amended on September 22, 2021, to earn up to a 50% interest in certain claims and to a joint venture (the "Mineral Rights") relating to the Bonnie Claire lithium project located in Nevada, USA. Pursuant to the Option Agreement, the Company has the right to acquire up to an aggregate of 50% of Mineral Rights for USD $5,600,000 as follows:

- 20% interest in the Mineral Rights requiring payment of USD $1,600,000 in funding expenditures by March 8, 2021 (the "First Option") (Completed).
- 15% interest in the Mineral Rights requiring payment of USD $2,000,000 in funding expenditures by October 1, 2021 (the "Second Option").(1)
- 15% interest in the Mineral Rights requiring payment of USD $2,000,000 in funding expenditures by December 1, 2021 (the "Third Option").

(1) On September 22, 2021, the Option Agreement was amended to extend payment of the Second Option from October 1, 2021 to December 1, 2021.

During the period ended April 30, 2021, the Company satisfied the First Option through the payment of $2,027,680 (USD $1,600,000) and earned 20% interest in the Bonnie Claire lithium project. If the Second Option payments are not made by October 1, 2021 (subsequently amended to December 1, 2021), the Company forfeits its right to acquire any additional interest but retains the First Option Interest. If the Third Option payments are not made by December 1, 2021, the Company forfeits its right to acquire the remaining 15% but retains its First Option and Second Option interest.

Upon the commencement of commercial production, the Company grants and shall pay the royalty holder a royalty equal to 0.5% of the Net Smelter Returns from all products. No production royalty shall be due upon bulk samples extracted by the Company for metallurgical testing purposes during the Company's exploration or development work on the Property.

Share capital highlights

During the three months ended July 31, 2021

On May 7, 2021, the Company completed a non-brokered private placement for the issuance of 2,480,000 common shares at $0.20 per share. From gross proceeds of $496,000, $266,194 was received in the form of subscription deposits from March 2, 2021 to April 30, 2021. At July 31, 2021, the Company has subscriptions receivable of $105,000 in connection with funds not yet received.

On June 11, 2021, pursuant to the terms of the Special Warrants, the Company issued $364,000 common shares. As a result, $18,200 was reclassified from reserves to share capital.

On June 14, 2021, the Company received $31,225 that had been recorded as subscriptions receivable for shares previously issued in the January 21, 2021 private placement.

During the period ended April 30, 2021

On January 6, 2021, the Company issued 7,500,000 common shares at $0.005 per share for gross proceeds of $37,500.

On January 21, 2021, the Company issued 10,725,000 common shares at $0.02 per share for gross proceeds of $214,500.

On January 22, 2021, the Company issued 4,775,000 common shares at $0.02 per share for gross proceeds of $95,500.

On January 29, 2021, the Company issued 7,000,000 common shares as consideration for the acquisition of Nevada Lithium Corp. at $0.20 per share.

On February 10, 2021, the Company issued 364,000 warrants for $0.05 per warrant (the "Special Warrants") for gross proceeds of $18,200. The warrants automatically convert to common shares on the date that is earlier of: i) June 11, 2021, and ii) the third business day after a receipt for a final prospectus is issued.

On February 11, 2021, the Company issued 15,475,000 common shares at $0.20 per share for gross proceeds of $3,095,000. The Company incurred $247,600 in share issuance costs relating to this financing that the Company settled through the issue of 1,238,000 common shares at a price of $0.20 per share. In connection with the private placement, the Company also issued 1,547,500 finder's warrants with an exercise price of $0.20 expiring on February 1, 2023.

From March 2, 2021 to April 30, 2021, the Company received $266,194 in shares subscription deposits for a private placement that closed on May 7, 2021.

The primary purpose for cash raised through financings is for management to obtain and increase its interest in the Bonnie Claire Lithium project through payments in funding expenditures pursuant to the Option Agreement.

HIGHLIGHTS SUBSEQUENT TO THE PERIOD

On September 22, 2021, the Company amended the terms of the Option Agreement to the Bonnie Claire Lithium Project extending the payment of the Second Option from October 1, 2021, to December 1, 2021.

On September 28, 2021, the Company granted 3,900,000 common share purchase options exercisable into common shares a price of $0.20 per option. The options vest immediately and expire five years from the grant date. Of the 3,900,000 options granted, 1,200,000 were granted to directors and officers of the Company.

On September 28, 2021, the Company granted 190,000 restricted share units ("RSUs") to an officer of the Company. The RSUs vest after four months and may be converted into common shares at the discretion of the beneficiary or the Company. The RSUs expire three years after the grant date if not converted into common shares.

LIQUIDITY AND CAPITAL RESOURCES

The net working capital of the Company at July 31, 2021 was $1,479,072 (April 30, 2021 - $1,438,787).

For the three months ended July 31, 2021, the Company used $139,238 in cash for operating activities. The Company's cash flows from operations are negative as it is an exploration stage company.

For the three months ended July 31, 2021, the Company had no cash flows from investing activities. The Company's primary investing activities historically pertain to making payments toward obtaining interest in the Bonnie Claire lithium project, pursuant to the Option Agreement.

For the three months ended July 31, 2021, the Company had net cash provided by financing activities of $156,031. Of this, $31,225 was from the receipt of cash from subscriptions receivable at April 30, 2021 and the remainder was from a private placement on May 7, 2021.

Liquidity outlook

The Company's cash position is highly dependent on its ability to raise cash through financings.

The Company will need to complete additional external financing either through equity, debt or other forms of financing in order to fund operations and make payments to increase its interest in the Option Agreement.

At present, the Company's operations do not generate cash inflows and its financial success is dependent on management's ability to discover economically viable mineral deposits. The mineral exploration process can take many years and is subject to factors that are beyond the Company's control.

In order to finance the Company's future exploration programs and to cover administrative and overhead expenses, the Company will need to raise funds through equity sales, from the exercise of convertible securities, debt, deferral of payments to related parties, or other forms of raising capital. Many factors influence the Company's ability to raise funds, including the health of the resource market, the climate for mineral exploration investment, the Company's track record, and the experience and calibre of its management. Actual funding requirements may vary from those planned due to a number of factors, including the progress of exploration activities. Management believes it will be able to raise equity capital as required in the short and long term but recognizes that there will be risks involved which may be beyond its control.

GOING CONCERN

The Company's financial statements are prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at July 31, 2021, the Company has not yet achieved profitable operations. This condition indicates the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. The continuing operations of the Company are dependent upon obtaining necessary financing to meet the Company's commitments as they come due and to finance future exploration and development of potential business acquisitions, economically recoverable reserves, securing and maintaining title and beneficial interest in the properties and upon future profitable production. Failure to continue as a going concern would require that assets and liabilities be recorded at their liquidation values, which might differ significantly from their carrying values. These financial statements do not include adjustments that would be necessary should the Company be unable to continue as a going concern. These adjustments could be material.

In March 2020 the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds.

CONTRACTUAL OBLIGATIONS

The Company has no undisclosed contractual obligations.

SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

The preparation of financial statements requires management to establish accounting policies, estimates and assumptions that affect the timing and reported amounts of assets, liabilities, revenues and expenses. These estimates are based on historical experience and on various other assumptions that management believes to be reasonable under the circumstances and require judgment on matters which are inherently uncertain. Details of the Company's significant accounting policies can be found in note 3 of the consolidated financial statements for the period ended July 31, 2021.

INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Company's consolidated financial statements have been prepared in accordance with IFRS as issued by the IASB and IFRIC, effective as of July 31, 2021. The Company's significant accounting policies are described in note 3 of the Company's consolidated financial statements.

(Expressed in Canadian dollars, unless otherwise noted)

RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations 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.

At July 31, 2021, and April 30, 2021, accounts payable and accrued liabilities contained the following amounts due to related parties:

	July 31, 2021	April 30, 2021
	$	$
Management and consulting fees payable	**10,998**	-
Reimbursable expenses	**-**	126
Total	**10,998**	126

For the three months ended July 31, 2021, key management personnel compensation consisted of:

	July 31, 2021
	$
Management and consulting fees paid to directors and officers	**29,097**
Total	**29,097**

OFF BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements as at July 31, 2021 or at the date of this MD&A.

PROPOSED TRANSACTIONS

The Company has no undisclosed proposed transactions as at July 31, 2021 or at the date of this MD&A.

FINANCIAL INSTRUMENTS

The Company provides disclosures that enable users to evaluate (a) the significance of financial instruments for the entity's financial position and performance; and (b) the nature and extent of risks arising from financial instruments to which the entity is exposed during the period and at the date of the statement of financial position, and how the entity manages these risks.

The Company provides information about its financial instruments measured at fair value at one of three levels according to the relative reliability of the inputs used to estimate the fair value:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's financial instruments consist of cash, accounts payables and accrued liabilities. The carrying values of these financial instruments approximate their respective fair values due to the term of these instruments.

As at July 31, 2021, the fair value of cash held by the Company was based on level 1 inputs of the fair value hierarchy.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

The Company's primary exposure to credit risk is its cash of $1,543,508 at July 31, 2021. With cash on deposit with reputable financial institutions, it is management's opinion that the Company is not exposed to significant credit risks arising from the financial instruments.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. As at July 31, 2021, the Company has current liabilities totaling $69,813 and cash of $1,543,508, and is not exposed to significant liquidity risk at this time. However, since the Company is in the exploration stage, it will periodically have to raise funds to continue operations and intends to raise further financing through private placements.

Market risk

Market risk is the risk that changes in market prices such as commodity prices, foreign exchange rates and interest rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposure within acceptable parameters. The Company does not use derivative instruments to reduce its insignificant exposure to market risks.

Commodity price risk

The ability of the Company to raise funds to explore and develop its exploration and evaluation assets and the future profitability of the Company are directly related to the price of lithium. The Company monitors lithium prices to determine the appropriate course of action to be taken

OUTSTANDING SHARE DATA

The authorized capital of the Company consists of an unlimited number of common shares without par value. As of the date of this MD&A, the Company had the following securities outstanding:

- 49,557,000 common shares
- 1,547,500 finder's warrants
- 3,900,000 share options
- 190,000 restricted share units

RISK FACTORS

An investment in the Company should be considered highly speculative, not only due to the nature of Nevada Lithium's business and operations, but also because of the uncertainty related to completion of the Proposed Transaction. In addition to the other information in this MD&A, an investor should carefully consider each of, and the cumulative effect of, the following factors, which assume the completion of the Proposed Transaction. Except as noted, these risk factors have been drafted in a manner so as to assume the completion of the Proposed Transaction.

The Company is in the business of exploring mineral properties, which is a highly speculative endeavor. Investors should carefully consider these risk factors, together with all of the other information included in this Prospectus, before deciding to purchase Common Shares. The occurrence of any of the following risks could materially adversely affect the Company's business, financial condition or operating results. These risk factors are not a definitive list of all risk factors associated with an investment in the Company or in connection with the Company's operations. There may be other risks and uncertainties that are not known to the Company or that the Company currently believes are not material, but which also may have a material adverse effect on its business, financial condition, operating results or prospects. A purchase of any of the Common Shares involves a high degree of risk and should be undertaken only by purchasers whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. An investment in the Common Shares should not constitute a major portion of an individual's investment portfolio and should only be made by persons who can afford a total loss of their investment. Prospective purchasers should evaluate carefully the following risk factors associated with an investment in the Company's securities prior to purchasing any of the Common Shares.

Option over the Project

The Company's right to exercise its option over the Project will be dependent upon its compliance with the Option Agreement. This includes the fulfillment of drilling and exploration obligations as well as the expenditure of funds, and the payment of all option payments due under the Option Agreement There can be no assurance that the Company will be able to comply with the provisions of the Option Agreement. If the Company is unable to fulfil the requirements of an Option Agreement, it is likely that it would be considered in default of such agreement and the agreement could be terminated resulting in the loss of all rights to the Project, and the loss of all option payments made and expenditures incurred pursuant to the option to the date of termination of the Option Agreement. Additional funding will be required to fund the work expenditure commitments on the Project. There is no assurance that such funds will be available. Failure to obtain adequate financing on a timely basis could result in the loss of the Company's right to exercise the Project option.

Insufficient Capital

The Company does not currently have any revenue producing operations and may, from time to time, report a working capital deficit. To maintain its activities, the Company will require additional funds which may be obtained either by the sale of equity capital or by entering into an option or joint venture agreement with a third party providing such funding. There is no assurance that the Company will be successful in obtaining such additional financing. Failure to do so could result in the loss of the Company's interest in the Project.

Financing Risks

The Company has no history of earnings and, due to the nature of its business, there can be no assurance that the Company will be profitable. The only present source of funds available to the Company is through the sale of its securities. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that may be necessary to determine whether or not a commercially mineable deposit exists on the Project, or any additional properties in which the Company may acquire an interest. While the Company may generate additional working capital through further equity offerings or, if applicable, through the sale or possible syndication of its properties, there is no assurance that any such funds will be available on terms acceptable to the Company, or at all. If available, future equity financing may result in substantial dilution to purchasers under the Offering. At present it is impossible to determine what amounts of additional funds, if any, may be required.

Limited Operating History and Negative Operating Cash Flow

The Company has no history of earnings and, due to the nature of its business, there can be no assurance that the Company will be profitable. The Company has paid no dividends on its Common Shares since incorporation and does not anticipate doing so. There are no known commercial quantities of mineral reserves on the Project.

The purpose of the Private Placement was to raise funds to carry out exploration and development on the Project. To the extent that the Company has a negative operating cash flow in future periods, the Company may need to allocate a portion of its cash reserves to fund such negative operating cash flow. The Company may also be required to raise additional funds through the issuance of equity or debt securities. The only present source of funds available to the Company is through the sale of its securities. Even if the results of exploration are encouraging, the Company may not have sufficient funds to fund further exploration that may be necessary to determine whether or not a commercially mineable deposit exists on its Project. While the Company may generate additional working capital through further equity offerings, there is no assurance that any such funds will be available on terms acceptable to the Company, or at all. If available, future equity financing may result in substantial dilution to holders of Common Shares. At present it is impossible to determine what amounts of additional funds, if any, may be required.

If the Company is unable to generate 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 purchased would be diminished.

Resale of 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 purchased would be diminished.

Price Volatility of Publicly Traded Securities

In recent years, the securities markets in the United States and 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 creating revenues, cash flows or earnings. The value of Common Shares issued upon the deemed exercise of the Special Warrants will be affected by such volatility.

There is currently no public trading market for the Common Shares, and the Company cannot assure that after listing a public trading market will continue to develop or be sustained. If a market does not continue to develop or is not sustained, it may be difficult to sell Common Shares at an attractive price or at all. The Company cannot predict the prices as which its Common Shares will trade.

Property Interests

The Company does not own the mineral rights pertaining to the Project or any of the other properties it holds an interest in. Rather, it holds an option to acquire a 50% interest in the Project. There is no guarantee the Company will be able to raise sufficient funding in the future to complete the conditions required in order to exercise its option with respect to the Project. If the Company loses or abandons its interest in the Project, there is no assurance that it will be able to acquire another mineral property of merit or that such an acquisition would be approved by the Exchange. There is also no guarantee that the Exchange will approve the acquisition of any additional properties by the Company, whether by way of option or otherwise, should the Company wish to acquire any additional properties.

Title to Assets

Searches of mining records are carried out in accordance with mining industry practices to confirm satisfactory title to properties in which the Company holds or intends to acquire an interest, but the Company does not obtain title insurance with respect to such properties. The possibility exists that title to one or more of the properties, particularly title to undeveloped properties, might be defective because of errors or omissions in the chain of title, including defects in conveyances and defects in locating or maintaining such claims or concessions. The ownership and validity of mining claims and concessions are often uncertain and may be contested. The Company has taken and will continue to take all reasonable steps, in accordance with the laws and regulations of the jurisdictions in which their properties are located, to ensure proper title to its properties and to properties it may acquire in the future, either at the time of acquisition or prior to any major expenditures thereon. This, however, should not be construed as a guarantee of title. There are no assurances that the Company will obtain title. Both presently owned and after-acquired properties may be subject to prior unregistered agreements, transfers, land claims or other claims or interests. In addition, third parties may dispute the rights of the Company to its respective mining and other interests. The Company will attempt to clear title and obtain legal opinions commensurate to the intended level of expenditures required on areas that show promise. There can be no assurance, however, that it will be successful in doing so.

Exploration and Development

Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The Project is considered to be in the early exploration and development stage. As of the date of the Prospectus, no compliant mineral resources have been identified at the Project. There is no certainty that further exploration and development will result in the identification of indicated, or measured resources, or probable or proven reserves, at the Project, or that if any mineral resources or reserves are defined at the Project that that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized.

The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which factors may result in the Company not receiving an adequate return of investment capital.

There is no assurance that the Company's mineral exploration and development activities will result in any discoveries of commercial bodies of ore on the Project or elsewhere. The long-term profitability of the Company's operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

COVID-19

The Company's business could be adversely impacted by the effects of the COVID-19 pandemic or other epidemics. COVID-19 may impact operational matters due to safety and regulatory requirements limiting the number of persons able to conduct exploration activities, and may increase the costs of operating due to the cost of implementation of safety procedures, the cost of personal protective equipment, and the imposition of barriers, should the Company determine that such items are necessary for safety or compliance purposes. In addition, outbreaks of COVID-19, particularly in Nevada or other jurisdictions in which the Company plans to operate, could materially and adversely impact the Company's business, including without limitation, employee health, limitations on travel, the availability of industry experts and personnel, restrictions to planned drill programs, assaying, and other factors that will depend on future developments beyond the Company's control that may have a material and adverse effect on its business, financial condition and results of operations. There can be no assurances that the Company's personnel will not be impacted by COVID-19 or other epidemics and diseases, and ultimately see its workforce productivity reduced or incur increased medical and related costs as a result of these health risks. New variants of the coronavirus causing COVID-19 have been emerging globally, and the impact of such variants on the business or operations of the Company cannot be accurately predicated.

Uninsurable Risks

In the course of exploration, development and production of mineral properties, certain risks may occur, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. These risks include environmental hazards, industrial accidents, explosions and third-party accidents, the encountering of unusual or unexpected geological formations, ground falls and cave-ins, mechanical failure, unforeseen metallurgical difficulties, power interruptions, flooding, earthquakes and periodic interruptions due to inclement or hazardous weather conditions. These occurrences could result in environmental damage and liabilities, work stoppages, delayed production and resultant losses, increased production costs, damage to, or destruction of, mineral properties or production facilities and resultant losses, personal injury or death and resultant losses, asset write downs, monetary losses, claims for compensation of loss of life and/or damages by third parties in connection with accidents (for loss of life and/or damages and related pain and suffering) that occur on company property, and punitive awards in connection with those claims and other liabilities. It is not always possible to fully insure against such risks and the Company may decide not to take out insurance against such risks as a result of high premiums or other reasons. Liabilities that we incur may exceed the policy limits of insurance coverage or may not be covered by insurance, in which event we could incur significant costs that could adversely impact our business, operations, potential profitability or value. Despite efforts to attract and retain qualified personnel, as well as the retention of qualified consultants, to manage our interests, even when those efforts are successful, people are fallible and human error could result in significant uninsured losses to us. These could include loss or forfeiture of mineral interests or other assets for nonpayment of fees or taxes, significant tax liabilities in connection with any tax planning effort we might undertake and legal claims for errors or mistakes by our personnel Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the Common Shares.

Governmental and Environmental Regulations, Permits and Licenses

The future operations of the Company may require permits from various governmental and non-governmental authorities and will be governed by laws and regulations governing prospecting, development, mining, production, export, taxes, labour standards, occupational health, waste disposal, land use, environmental protections, mine safety and other matters. There can be no guarantee that the Company will be able to obtain all necessary permits and approvals that may be required to undertake exploration activity or commence construction or operation of mine facilities on the Project. The Company currently does not have any such permits in place.

The Company's operations are also subject to various laws, regulations, and permitting requirements governing the protection of the environment. Such environmental and other regulatory requirements affect the current and future operations of the Company, including exploration and development activities. Such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations may require the submission and approval of environmental impact assessments to be conducted before permits can be obtained and there can be no assurances that the Company will be able to obtain or maintain all necessary permits that may be required for operations to be conducted at economically justifiable costs. The cost of compliance has the potential to reduce the profitability of operations by increasing costs and delaying production.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

There is no assurance that future changes to existing laws and regulations will not impact the Company. Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have material adverse impact on the Company and cause increases in capital expenditures or require abandonment or delays in development of new mining properties.

Environmental Hazards

All phases of our operations with respect to the Project will be subject to environmental regulation. Environmental legislation involves strict standards and may entail increased scrutiny, fines and penalties for noncompliance, stringent environmental assessments of proposed projects and a high degree of responsibility for companies and their officers, directors and employees. Changes in environmental regulation, if any, may adversely impact our operations and future potential profitability. In addition, environmental hazards may exist on the Project which is currently unknown. We may be liable for losses associated with such hazards, or may be forced to undertake extensive remedial cleanup action or to pay for governmental remedial cleanup actions, even in cases where such hazards have been caused by previous or existing owners or operators of the property, or by the past or present owners of adjacent properties or by natural conditions. The costs of such cleanup actions may have a material adverse impact on our operations and future potential profitability.

Competition

The mining industry is intensely competitive in all its phases and the Company competes with other companies that have greater financial resources and technical facilities. Competition could adversely affect the Company's ability to acquire suitable properties or prospects in the future and to engage qualified personnel to explore and develop the Project.

Political Regulatory Risks with International Operations

Any changes in government policy may result in changes to laws affecting ownership of assets, mining policies, monetary policies, taxation, rates of exchange, environmental regulations, labour relations and return of capital. This may affect the Company's ability to undertake exploration and development activities in respect of present and future properties in the manner currently contemplated, as well as its ability to continue to explore, develop and operate those properties in which it has an interest or in respect of which it has obtained exploration and development rights to date. The possibility that future governments may adopt substantially different policies, which might extend to expropriation of assets, cannot be ruled out.

Foreign Exchange Rate Fluctuations

Fluctuations in currency exchange rates could have a significant effect on our result of operations. The Company does not currently engage in any hedging activities in connection with foreign currency requirements.

Fluctuating Mineral Prices

The Company's revenues, if any, are expected to be in large part derived from the extraction and sale of industrial and base minerals and metals. 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. 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. In addition, currency fluctuations may affect the cash flow which the Company may realize from its operations, since most mineral commodities are sold in the world market in United States dollars.

Shortages of Critical Parts, Equipment and Skilled Labour

Our ability to acquire critical resources such as input commodities, drilling equipment, tires and skilled labour due to increased worldwide demand, may cause unanticipated cost increases and delays in delivery times, thereby impacting operating costs, capital expenditures and development schedules.

Conflicts of Interest

Directors of the Company are and may become directors of other reporting companies or have significant shareholdings in other mineral resource companies and, to the extent that such companies may participate in ventures in which the Company may participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. The Company and its directors will attempt to minimize such conflicts. In the event that such a conflict of interest arises at a meeting of the directors of the Company, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In appropriate cases, the Company will establish a special committee of independent directors to review a matter in which several directors, or management, may have a conflict. Conflicts, if any, will be subject to the procedures and remedies as provided under the BCBCA, as the case may be. Other than as indicated, the Company has no other procedures or mechanisms to deal with conflicts of interest.

Claims and Legal Proceedings

We may be subject to claims or legal proceedings covering a wide range of matters that arise in the ordinary course of business activities, including claims relating to ex-employees. These matters may give rise to legal uncertainties or have unfavourable results. We will carry liability insurance coverage and mitigate risks that can be reasonably estimated. In addition, we may be involved in disputes with other parties in the future that may result in litigation or unfavourable resolution which could materially adversely impact our financial position, cash flow and results of operations.

Risks Relating to our Shares Market Price of Shares and Volatility

The Common Shares do not currently trade on any exchange or stock market. Securities of microcap and small-cap companies have experienced substantial volatility in the past, often based on factors unrelated to the companies' financial performance or prospects. These factors include macroeconomic developments in North America and globally and market perceptions of the attractiveness of particular industries. The price of the Common Shares is also likely to be significantly affected by short-term changes in mineral prices or in our financial condition or results of operations. Other factors unrelated to our performance that may affect the price of the Common Shares include the following: the extent of analytical coverage available to investors concerning our business may be limited if investment banks with research capabilities do not follow the Company; lessening in trading volume and general market interest in the Common Shares may affect an investor's ability to trade significant numbers of Common Shares ; the size of our public float may limit the ability of some institutions to invest in Common Shares ; and a substantial decline in the price of the Common Shares that persists for a significant period of time could cause the Common Shares , if listed on an exchange, to be delisted from such exchange, further reducing market liquidity. 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 our long-term value. Securities class action litigation often has been brought against companies following periods of volatility in the market price of their securities. We 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. The fact that no market currently exists for the

Common Shares may affect the pricing of the Common Shares in the secondary market, the transparency and availability of trading prices and the liquidity of the Common Shares. The market price of the Common Shares is affected by many other variables which are not directly related to our success and are, therefore, not within our control. These include other developments that affect the market for all resource sector securities, the breadth of the public market for our Common Shares and the attractiveness of alternative investments. The effect of these and other factors on the market price of the Common Shares is expected to make the Share price volatile in the future, which may result in losses to investors.

Personnel

The Company has a small management team and the loss of any key individual could affect the Company's business. Additionally, the Company will be required to secure other personnel to facilitate its exploration program on the Project. Any inability to secure and/or retain appropriate personnel may have a materially adverse impact on the business and operations of the Company.