BIG RED MINING CORP.
MANAGEMENT DISCUSSION AND ANALYSIS

For the year ended August 31, 2022

(Expressed in Canadian Dollars, except where noted)

1. EFFECTIVE DATE AND FORWARD-LOOKING STATEMENTS

a) Reporting Period and Effective Date

This management discussion and analysis of financial position and results of operations ("MD&A"), prepared as of November 29, 2022 provides an analysis of the operations and financial results of Big Red Mining Corp. ("the Company") for the year ended August 31, 2022. This MD&A should be read in conjunction with the condensed audited annual financial statements of the Company and related notes thereto as at and for the year ended August 31, 2022 which have been prepared in accordance with International Financial Reporting Standards ("IFRS" or "GAAP") as issued by the International Accounting Standards Board ("IASB"). All dollar amounts presented in this MD&A are Canadian dollars unless otherwise stated.

b) Forward-looking Statements

This MD&A contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable Canadian and US securities legislation. These statements relate to future events or the future activities or performance of the Company. All statements, other than statements of historical fact are forward-looking statements. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate, and similar expressions, or which by their nature refer to future events. These forward-looking statements include, but are not limited to, statements concerning:

- the Company's strategies and objectives, both generally and in respect of its existing business and planned business operations;
- the Company's future cash requirements;
- general business and economic conditions;
- the Company's ability to meet its financial obligations as they come due, and to be able to raise the necessary funds to continue operations;
- the timing, pricing, completion, regulatory approval of proposed financings if applicable;

Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Inherent in forward looking statements are risks and uncertainties beyond the Company's ability to predict or control, including, but not limited to, risks related to the Company's ability to raise the necessary capital or to be fully able to implement its business strategies, and other risks identified herein under "Risk Factors".

The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, and that actual results are likely to differ, and may differ materially, from those expressed or implied by forward looking statements contained in this MD&A. Such statements are based on a number of assumptions, which may prove incorrect, including, but not limited to, assumptions about:

- general business and economic conditions;
- conditions in the financial markets generally, and with respect to the prospects for junior exploration companies specifically;

- the Company's ability to continue to roll out is business plan which includes further development of its exploration and evaluation assets to develop a mineral producing project;
- the Company's ability to secure and retain employees and contractors to carry out its business plans;

These forward-looking statements are made as of the date hereof and the Company does not intend and does not assume any obligation, to update these forward-looking statements, except as required by applicable law. For the reasons set forth above, investors should not attribute undue certainty to or place undue reliance on forward-looking statements.

Historical results of operations and trends that may be inferred from the following discussion and analysis may not necessarily indicate future results from operations. In particular, the Company has moved from a private corporation operating with very limited capital and therefore with very restricted operations, to a publicly traded venture issuer. Accordingly, drawing trends from the Company's limited operating history is difficult.

2. DESCRIPTION OF THE BUSINESS

Big Red Mining Corp. (the "Company") is in the business of the exploration and evaluation of mineral properties. The Company was incorporated under the Business Corporations Act of British Columbia on October 18, 2020. The address of the Company's registered and records office and principal place of business is Suite 100, 17565 58 Avenue, Surrey, British Columbia, V3S 4E3 Canada.

The Company entered into an option agreement dated February 25, 2021, as amended on June 3, 2021, (the "Option Agreement") to acquire a 100% interest in certain claims comprising the Dobie Lake Property (the "Property") located in Ontario, Canada. The Dobie Lake Property is subject to a 2% Net Smelter Return as payable to the Vendor.

The Company entered into a purchase agreement with a Vendor (the "Gryba Vendor") dated November 30, 2021, (the "Gryba Option Agreement") to acquire a 100% interest in certain claims comprising the Gryba Property (the "Gryba Property") located in Ontario, Canada. The Gryba claims are an expansion to the Dobie Lake Property.

The Company entered into an option agreement with an Optionor (the "Skead Vendor") dated November 30, 2021, (the "Skead Option Agreement") to acquire a 100% interest in certain claims comprising the Skead Copper Property (the "Skead Property") located in Ontario, Canada. The Skead claims are an expansion to the Dobie Lake Property.

3. OUTLOOK AND GOING CONCERN

a) Outlook

The Company's primary business is the acquisition and exploration of mineral properties. The Company's exploration and evaluation assets do not presently host any known mineral deposits nor, given the high degree of risk involved, can there be any assurance that its exploration activities will result in such deposits being located or, ultimately, a profitable mining operation in the future.

(all figures in Canadian dollars – unless otherwise noted)

In 2020, there was a global outbreak of coronavirus that has 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 prospective 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.

b) Going Concern

The Company incurred a loss of $704,471 during the year ended August 31, 2022, and has an accumulated deficit as at August 31, 2022 of $736,529 (August 31, 2021 - $32,058). Further, the Company has no source of operating cash flows, and there is no assurance that sufficient funding (including adequate financing) will be available to conduct required exploration and development of its mineral property projects. These factors indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

The application of the going concern concept is dependent upon the Company's ability to generate future profitable operations and receive continued financial support from its creditors and shareholders. These consolidated financial statements do not give effect to any adjustments that might be required should the Company be unable to continue as a going concern.

4. REVIEW OF ANNUAL RESULTS

a) Overall Performance and Discussion of Operations Selected Information

The selected financial information set out below is based on and derived from consolidated financial statements which have been prepared in accordance with IFRS.

Statements of Loss	**Year ended August 31, 2022**	**Period from October 18, 2020 (inception) to August 31, 2021**
	$	$
Total Revenue	Nil	Nil
Total Operating Expenses	721,462	32,058
Net Loss	(704,471)	(32,058)
Net Loss per Share – Basic and Diluted	(0.03)	(0.00)

Statements of Financial Position Data	**August 31, 2022**	**August 31, 2021**
	$	$
Cash and Cash Equivalents	502,035	1,498,296
Total Assets	1,263,836	1,631,197
Total Liabilities	70,000	61,175

(all figures in Canadian dollars – unless otherwise noted)

Shareholders' Equity	**August 31, 2022**	**August 31, 2021**
	$	$
Share Capital	1,594,361	599,461
Special Warrants	-	975,900
Reserves	336,004	26,719
Total Equity	1,193,836	1,570,022

b) Selected Quarterly Financial Information

The following is a summary of the Company's financial results for the most recently completed quarters ended August 31, 2022:

Period Ending	**Net Loss**	**Net Comprehensive Loss**	**Basic and Diluted Loss per Share**
	$	$	$
August 31, 2022	(216,226)	(216,226)	(0.01)
May 31, 2022	(159,245)	(159,245)	(0.01)
February 28, 2022	(195,099)	(195,099)	(0.01)
November 30, 2021	(133,901)	(133,901)	(0.01)
August 31, 2021	(29,004)	(29,004)	(0.00)
May 31, 2021	(3,054)	(3,054)	(0.00)
February 28, 2021	-	-	-
From October 18, 2020 (inception) to November 30, 2020	-	-	-

c) Results of Operations

The table below outlines the expenses incurred during the year ended August 31, 2022:

	Year ended August 31, 2022
	$
Management Fees	**220,000**
Office and Miscellaneous	**15,618**
Professional fees	**43,646**
Travel Expenses	**25,283**
Transfer agent and filing	**37,344**
Share-Based Compensation	**309,285**
Marketing	**70,286**
Total operating expenses	**721,462**
Other Income	
Interest	**4,991**
Flow-through premium reversal	**12,000**
Total Other Income	**16,991**
Net loss	**$(704,471)**

Year ended August 31, 2022

For the year ended August 31, 2022, the Company had no revenue and a net loss of $704,471 (2021 - $32,058). Net loss primarily relates to management fees of $220,000 (2021 - $2,857), professional fees of $43,646 (2021 - $17,190), office expenses of $15,618 (2021 - $6,467), travel expense of $25,283 (2021 - $5,544), share-based compensation of $309,285 (2021 - $Nil), transfer agent and filing fees of $37,344 (2021 - $Nil) and marketing fees of $70,286 (2021 - $Nil).

Total liabilities at August 31, 2022, totaled $70,000 (August 31, 2021 - $61,175). This primarily consists of amounts due to an exploration vendor and related parties.

Shareholders' equity at August 31, 2022 consists of share capital of $1,594,361 (August 31, 2021 - $599,461), special warrants of $Nil (August 31, 2021 - $975,900), reserves of $336,004 (August 31, 2021 - $26,719) and a deficit of $736,529 (August 31, 2021 - $32,058) for net equity of $1,193,836 (August 31, 2021 - $1,570,022).

Working capital (defined as current assets less current liabilities) was $538,467 at August 31, 2022 (August 31, 2021 - $1,452,342).

The number of common shares outstanding at August 31, 2022 was 25,389,500 (August 31, 2021 – 20,410,000).

d) Summary of Mineral Property Interests

The Company entered into an option agreement with Rich Copper Exploration Corp. (the "Vendor") dated February 25, 2021, as amended on June 3, 2021, (the "Option Agreement") to acquire a 100% interest in certain claims comprising the Dobie Lake Property (the "Property") located in Ontario, Canada, subject to a 2% net smelter returns royalty payable to the Vendor.

Pursuant to the Option Agreement, to exercise the option the Company is required to:

a) make a cash payment of $5,000 to the Vendor within 30 days of signing of the Option Agreement (paid)

b) issue a total of 350,000 common shares in the capital of the Company ("Shares") to the Vendor per the following schedule:

- 50,000 Shares within 90 days of signing the Option Agreement (issued)
- 100,000 Shares on or before the first anniversary date of the Option Agreement (issued)
- 100,000 Shares on or before the second anniversary date of the Option Agreement
- 100,000 Shares on or before the third anniversary date of the Option Agreement

c) incur exploration expenditures totaling $830,000 on the Property per the following schedule:

- $80,000 on or before the first anniversary date of the Option Agreement
- a further $150,000 on or before the second anniversary date of the Option Agreement

(all figures in Canadian dollars – unless otherwise noted)

- a further $250,000 on or before the third anniversary date of the Option Agreement
- a further $350,000 on or before the fourth anniversary date of the Option Agreement

The Company entered into a purchase agreement with a Vendor (the "Gryba Vendor") dated November 30, 2021, (the "Gryba Option Agreement") to acquire a 100% interest in certain claims comprising the Gryba Property (the "Gryba Property") located in Ontario, Canada. The Gryba claims are an expansion to the Dobie Lake Property.

Pursuant to the Gryba Agreement, to acquire the claims the Company is required to:

a) make a cash payment of $4,500 to the Gryba Vendor on signing of the Gryba Option Agreement (paid)

b) make a cash payment of $4,500 to the Gryba Vendor within 6 months of signing of the Gryba Option Agreement

The Company entered into an option agreement with an Optionor (the "Skead Vendor") dated November 30, 2021, (the "Skead Option Agreement") to acquire a 100% interest in certain claims comprising the Skead Copper Property (the "Skead Property") located in Ontario, Canada. The Skead claims are an expansion to the Dobie Lake Property.

Pursuant to the Skead Option Agreement, to exercise the option the Company is required to:

a) make a cash payment of $12,000 to the Skead Vendor on signing of the Skead Option Agreement (paid)
b) issue 300,000 common shares in the capital of the Company to the Skead Vendor

During the year ended August 31, 2022, the Company incurred a total of $537,689 in exploration expenditures.

	August 31, 2021	Additions	**August 31, 2022**
	$	$	**$**
Acquisition costs	7,500	40,000	**47,500**
Exploration costs			
Field expenses	1,547	35,047	**36,594**
Geological consulting	92,324	149,124	**241,448**
Geophysical	16,309	-	**16,309**
Drilling	-	313,518	**313,518**
Total exploration costs	110,180	497,690	**607,869**
Total	$117,680	$537,689	**$655,369**

5. LIQUIDITY AND CAPITAL RESOURCES

a) Liquidity

Since incorporation, the Company's capital resources have been limited. The Company has had to rely upon the sale of equity securities for the cash required for property acquisition payments, office and miscellaneous expenses and accounting, audit and legal fees, among other expenses.

The Company expects that its cash position of $502,035 as at the most recent month end being August 31, 2022, will be sufficient for the Company to become operational to begin meeting its objectives and milestones. Once the Company is operational, it will require additional working capital in order to increase its growth rate and may seek to raise additional funds via one or more private placements.

b) Capital Resources

As at August 31, 2022, the Company's share capital was $1,594,361 representing 25,389,500 issued and outstanding common shares without par value.

During the year ended August 31, 2022, the Company issued the following:

a) On October 26, 2021 the Company received notice of receipt for its long form prospectus from the British Colombia Securities Commission. As such on October 27, 2021 all outstanding Special Warrants were exercised and the Company issued 4,879,500 common shares to the special warrant holders for no additional consideration.
b) On February 2, 2022, the Company issued 100,000 shares with a fair value of $19,000 in connection to its option agreement with Rich Copper Exploration.

During the period ended August 31, 2021, the Company issued the following:

a) On February 22, 2021 the Company issued 5,000,000 common shares at $0.005 per share for gross proceeds of $25,000.
b) On March 15, 2021 the Company closed its $0.025 flow-through unit offering issuing 3,200,000 flow-through units for gross proceeds of $80,000. Each flow-through unit consists of one flow-through common share in the capital of the Company and one-half of one common share purchase warrant. Each whole warrant entitles the holder to purchase one additional share at an exercise price of $0.20 per share on or before March 16, 2026. The warrants were valued at $nil, using the residual value method and the Company recorded $nil in flow-through liability in connection to the financing.
c) On March 15, 2021 the Company closed its $0.025 unit offering issuing 8,950,000 units for gross proceeds of $223,750. Each unit consists of one common share in the capital of the Company and one-half of one common share purchase warrant. Each whole warrant entitles the holder to purchase one additional share at an exercise price of $0.20 per share on or before March 16, 2026. The warrants were valued at $nil, using the residual value method and the Company recorded $nil in flow-through liability in connection to the financing.
d) On March 30, 2021 the Company issued 2,250,000 common shares at $0.05 per share for gross proceeds of $112,500.

e) On April 5, 2021 the Company issued 50,000 common shares at a fair value of $0.05 per share, for a total value of $2,500, in connection to the first option payment on the Dobie Lake Property.

f) On August 18, 2021 the Company closed its $0.25 flow-through unit offering issuing 960,000 flow-through units for gross proceeds of $240,000. Each flow-through unit consist of one flow-through common share and one common share purchase warrant. Each warrant entitles the holder to purchase one additional share at an exercise price of $0.30 per share on or before August 21, 2023. The warrants were valued at $nil, using the residual value method and the Company recorded $12,000 in flow-through liability in connection to the financing. In connection to the financing the Company paid a cash finder's fee of $11,200 and issued 44,800 finder's warrants that were valued at $6,087 using the Black Scholes model with an expected life of 2 years, volatility of 122% and a risk free rate of 0.40%. The finder's warrants are exercisable for a period of 2 years at a price $0.30 per share.

Special warrants

During the period ended August 31, 2021, the Company issued a total of 4,879,500 special warrants (the "Special Warrants") at $0.20 for gross proceeds of $975,900. Each Special Warrant entitles the holder to acquire, without payment of any consideration in addition to that paid for the Special Warrant, one previously unissued unit in the capital of the Company. Each unit is comprised of one common share in the capital of the Company and one common share purchase warrant where each warrant entitles the holder to purchase one additional common share at an exercise price of $0.25 per share for a period of 3 years from the date of the exercise of the special warrants.

The Special Warrants may be exercised by the subscriber, in whole or in part, at any time following the closing of the offering. Any unexercised Special Warrants will be deemed to be exercised on that day which is the earlier of:

- the first (1st) business day following the day on which a receipt for a (final) prospectus has been issued to the Company by or on behalf of the securities regulatory; and
- the tenth (10th) anniversary of the date of the Special Warrant certificate.

The Company issued the special warrants in the following tranches:

- On July 5, 2021 the Company closed its first tranche issuing 1,163,000 special warrants for gross proceeds of $232,600. In connection to the financing the Company paid a cash finder's fee of $6,240 and issued 31,200 finder's warrants that were valued at $2,965 using the Black Scholes model with an expected life of 2 years, volatility of 122% and a risk free rate of 0.46%. The finder's warrants are exercisable at a price $0.40 per share until the earlier of (a) 2 years from the date of issuance of the finder's warrants and (b) 18 months from the first business day following the day on which a receipt for a (final) prospectus has been issued.
- On July 23, 2021 the Company closed its second tranche issuing 503,500 special warrants for gross proceeds of $100,700. In connection to the financing the Company paid a cash finder's fee of $3,250 and issued 16,250 finder's warrants that were valued at $2,043 using the Black Scholes model with an expected life of 2 years, volatility of 122% and a risk free rate of 0.38%. The finder's warrants are exercisable at a price $0.40 per share until the

earlier of (a) 2 years from the date of issuance of the finder's warrants and (b) 18 months from the first business day following the day on which a receipt for a (final) prospectus has been issued.

- On August 18, 2021 the Company closed its third tranche issuing 1,024,000 special warrants for gross proceeds of $204,800. In connection to the financing the Company paid a cash finder's fee of $12,400 and issued 62,000 finder warrants that were valued at $8,424 using the Black Scholes model with an expected life of 3 years, volatility of 122% and a risk free rate of 0.40%. The finder's warrants are exercisable for a period of 3 years at a price $0.25 per share.
- On August 20, 2021 the Company closed its fourth tranche issuing 733,500 special warrants for gross proceeds of $146,700. In connection to the financing the Company paid a cash finder's fee of $11,360 and issued 56,800 finder's warrants that were valued at $6,483 using the Black Scholes model with an expected life of 18 months, volatility of 122% and a risk free rate of 0.39%. The finder's warrants were issued on August 31, 2021 and are exercisable for a period of 18 months at a price $0.25 per share.
- On August 31, 2021 the Company closed its fifth and final tranche issuing 1,455,500 special warrants for gross proceeds of $291,100. In connection to the financing the Company paid cash finder's fees of $1,120 and issued 5,600 finder's warrants that were valued at $717 using the Black Scholes model with an expected life of 2 years, volatility of 122% and a risk free rate of 0.39%. Of the finder's warrants, 3,600 warrants are exercisable for a period of 3 years at a price $0.25 per share and 2,000 warrants are exercisable for a period of 18 months at a price $0.25 per share.

On October 26, 2021 the Company received notice of receipt for its long form prospectus from the British Colombia Securities Commission. As such on October 27, 2021 all outstanding Special Warrants were exercised and the Company issued 4,879,500 common shares to the special warrant holders for no additional consideration.

6. TRANSACTIONS WITH RELATED PARTIES

During the year ended August 31, 2022 the Company:

- Recorded $130,000 (2021 - $Nil) in Management fees and recorded $12,500 in prepaid expenses relating to services rendered by JNS Capital Corp., a company controlled by the CEO;
- Recorded $14,500 (2021 - $Nil) in Office and miscellaneous relating to rent for head office space which will be paid to Jag Sandhu, the CEO;
- Recorded $90,000 (2021 - $Nil) in Management fees relating to services rendered by HWG CPAs, a company controlled by the CFO;
- Recorded $48,854 (2021 - $Nil) in Geological consulting fees which is capitalized to Exploration and Evaluation assets relating to services rendered by Rich Copper, a company controlled by a director of the Company.
- Recorded $Nil (2021 - $2,857) in Management fees relating to services rendered by Rodney Stevens, a director of the Company
- Recognized $198,833 (2021 - $Nil) in share-based compensation expense due to the vesting of options granted to directors and officers of the Company.

(all figures in Canadian dollars – unless otherwise noted)

Amounts due to or from related parties are unsecured and non-interest bearing and measured at the amount of consideration established and agreed to by the related parties. The amounts due to or from related parties as at August 31, 2022 are included in accounts payable and accrued liabilities:

	August 31, 2022	**August 31, 2021**
	$	**$**
Due to directors and officers of the Company	**15,750**	**233**
Other related parties	**-**	**716**
Total	**$15,750**	**$949**

Officers and Directors

- Jag Sandhu, CEO and Director
- James Atkinson, Director
- Paul Grewal, CFO
- Rodney Stevens, Director

7. OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements at August 31, 2022 and to the date of this MD&A**.**

8. CRITICAL ACCOUNTING ESTIMATES

Critical accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amount of assets and liabilities within the next financial period and include, but are not limited to, the following:

<u>Recovery of deferred tax assets</u>

The Company estimates the expected manner and timing of the realization or settlement of the carrying value of its assets and liabilities and applies the tax rates that are enacted or substantively enacted on the estimated dates of realization or settlement.

<u>Environmental rehabilitation obligation</u>

The Company recognizes statutory, contractual or other legal obligations related to the retirement of its exploration and evaluation assets and its tangible long-lived assets when such obligations are incurred, if a reasonable estimate of fair value can be made. These obligations are measured initially at fair value and the resulting costs are capitalized to the carrying value of the related asset. In subsequent periods, the liability is adjusted for any changes in the amount or timing and for the discounting of the underlying future cash flows. The capitalized asset retirement cost is amortized to operations over the life of the asset.

<u>Fair-value of finder warrants</u>

The Company measures the cost of finder warrants by reference to the fair value of the warrants at the date on which they are granted. Estimating the fair value of finder warrants requires applying the Black-Scholes valuation model to each grant based on the terms and conditions of such issuance.

Share-based compensation

The fair value of stock options issued are subject to the limitations of the Black-Scholes Option Pricing Model that incorporates market data and involves uncertainty in estimates used by management in the assumptions. Because the Black-Scholes Option Pricing Model requires the input of highly subjective assumptions, including the volatility of share prices, changes in subjective input assumptions can materially affect the fair value estimate.

a) Critical accounting judgments

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include, but are not limited to, the following:

- the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty; and
- the classification / allocation of expenditures as exploration and evaluation expenditures or operating expenses.

9. SIGNIFICANT ACCOUNTING POLICIES

The Company's significant accounting policies are described in Note 3 of the audited financial statements for the year ended August 31, 2022.

a) Recent accounting pronouncements

Certain other accounting pronouncements were issued but the Company anticipates that the application of these standards, amendments and interpretations in future periods will have no material impact on the results and financial position of the Company except for additional disclosures. The Company is assessing the impact of the new or revised IFRS standards on its financial position and financial performance.

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

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

(all figures in Canadian dollars – unless otherwise noted)

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, receivables, and accounts. The carrying values of these financial instruments approximate their respective fair values due to the term of these instruments.

As at August 31, 2022, 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 and cash equivalents of $502,035 at August 31, 2022. 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 August 31, 2022, the Company had current liabilities totaling $70,000 and cash and cash equivalents of $502,035 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.

11. OUTSTANDING SHARE DATA

The Company's authorized capital is unlimited common shares without par value. As at August 31, 2022 and the date of this MD&A, the following common shares, options and share purchase warrants were outstanding:

	Number issued and outstanding	
	August 31, 2022	**November 29, 2022**
Common Shares	25,389,500	25,389,500
Warrants	12,131,150	12,131,150
Options	1,680,000	1,680,000
Fully Diluted	39,200,650	39,200,650

Escrow Shares

Under the escrow agreement dated September 9, 2021, 10% of the escrowed common shares were to be released from escrow on the date of listing on the CSE. Subsequent to listing (November 5, 2021), an additional 15% are to be released every six months over a thirty-six month period. As at August 31, 2022, a total of 12,862,500 shares and 4,556,250 warrants were held in escrow (August 33, 2021 – Nil shares and Nil warrants).

12. APPROVAL

The Board of Directors of the Company has approved the disclosure contained in this MD&A on November 29, 2022.

13. ADDITIONAL INFORMATION

Head Office and Operations

Big Red Mining Corp.
100 – 17565 58th Avenue
Surrey, British Columbia, Canada
V3S 4E3

CAPITALIZATION
(as at November 29, 2022)
Shares Issued: 25,389,500

AUDITOR
Buckley Dodds CPA
2700 – 1177 West Hastings Street
Vancouver, British Columbia
V6E 2K3