

BIG RED MINING CORP.
MANAGEMENT DISCUSSION AND ANALYSIS

For the six months ended February 28, 2023

(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 April 26, 2023 provides an analysis of the operations and financial results of Big Red Mining Corp. (“the Company”) for the six months ended February 28, 2023. This MD&A should be read in conjunction with the condensed interim financial statements of the Company and related notes thereto for the six months ended February 28, 2023 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;

Big Red Mining Corp.
Management Discussions and Analysis
For the six months ended February 28, 2023

(all figures in Canadian dollars – unless otherwise noted)

- the Company's ability to continue to roll out its 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.

Big Red Mining Corp.
Management Discussions and Analysis
For the six months ended February 28, 2023
(all figures in Canadian dollars – unless otherwise noted)

b) Going Concern

The Company incurred a loss of \$154,732 (2021 - \$329,000) during the six months ended February 28, 2023, and has an accumulated deficit as at February 28, 2023 of \$891,261 (August 31, 2022 - \$736,529). 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. The condensed interim 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 the condensed interim financial statements which have been prepared in accordance with IFRS.

Statements of Loss	Six months ended February 28, 2023	Six months ended February 28, 2022
	\$	\$
Total Revenue	Nil	Nil
Total Operating Expenses	156,371	329,736
Net Loss and Comprehensive Loss	(154,732)	(329,000)
Net Loss per Share – Basic and Diluted	(0.01)	(0.01)

Statements of Financial Position Data	February 28, 2023	August 31, 2022
	\$	\$
Cash and Cash Equivalents	374,750	502,035
Total Assets	1,135,968	1,263,836
Total Liabilities	72,522	70,000

Shareholders' Equity	February 28, 2023	August 31, 2022
	\$	\$
Share Capital	1,603,361	1,594,361
Reserves	351,346	336,004
Total Equity	1,063,446	1,193,836

Big Red Mining Corp.
Management Discussions and Analysis
For the six months ended February 28, 2023
(all figures in Canadian dollars – unless otherwise noted)

b) Selected Quarterly Financial Information

The following is a summary of the Company's financial results for the most recently completed quarters ended February 28, 2023:

Period Ending	Net Loss	Net Comprehensive Loss	Basic and Diluted Loss per Share
	\$	\$	\$
February 28, 2023	(68,795)	(68,795)	(0.00)
November 30, 2022	(85,937)	(85,937)	(0.00)
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)

c) Results of Operations

The table below outlines the expenses incurred during the six months ended February 28, 2023:

	Six months ended February 28, 2023
	\$
Management Fees	120,000
Office and Miscellaneous	6,527
Professional fees	923
Travel Expenses	271
Transfer agent and filing	13,074
Share-Based Compensation	15,342
Marketing	234
Total operating expenses	156,371
Other Income	
Interest	1,639
Total Other Income	1,639
Net loss and comprehensive loss	\$(154,732)

Three months ended February 28, 2023

For the three months ended February 28, 2023, the Company had no revenue and a net loss of \$68,795 (2022 - \$195,099). Net loss primarily relates to management fees of \$60,000 (2022 - \$40,000), office expenses of \$1,906 (2022 - \$8,709), transfer agent and filing fees of \$8,181 (2022 - \$9,752) and travel expenses of \$46 (2022 - \$5,847).

Big Red Mining Corp.
Management Discussions and Analysis
For the six months ended February 28, 2023

(all figures in Canadian dollars – unless otherwise noted)

Six months ended February 28, 2023

For the six months ended February 28, 2023, the Company had no revenue and a net loss of \$154,732 (2022 - \$329,000). Net loss primarily relates to management fees of \$120,000 (2022 - \$70,000), professional fees of \$923 (2022 - \$30,386), office expenses of \$6,527 (2022 - \$14,448), travel expense of \$271 (2022 - \$10,090), share-based compensation of \$15,342 (2022 - \$122,519), transfer agent and filing fees of \$13,074 (2022 - \$31,979) and marketing fees of \$234 (2022 - \$50,314).

Total liabilities at February 28, 2023, totaled \$72,522 (August 31, 2022 - \$70,000). This primarily consists of amounts due to an exploration vendor and related parties.

Shareholders' equity at February 28, 2023 consists of share capital of \$1,603,361 (August 31, 2022 - \$1,594,361), reserves of \$351,346 (August 31, 2022 - \$336,004) and a deficit of \$891,261 (August 31, 2022 - \$736,529) for net equity of \$1,063,446 (August 31, 2022 - \$1,193,836).

Working capital (defined as current assets less current liabilities) was \$399,077 at February 28, 2023 (August 31, 2022 - \$538,467).

The number of common shares outstanding at February 28, 2023 was 25,489,500 (August 31, 2022 – 25,389,500).

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 (issued)
 - 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
 - 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

Big Red Mining Corp.
Management Discussions and Analysis
For the six months ended February 28, 2023

(all figures in Canadian dollars – unless otherwise noted)

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 has recognized the amounts due to towards the Gryba claims in accounts payable as it is currently renegotiating the terms of the agreement. As at February 28, 2023 the agreement is still in good standing.

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 six months ended February 28, 2023, the Company incurred a total of \$Nil in exploration expenditures.

	August 31, 2022	Additions	February 28, 2023
	\$	\$	\$
Acquisition costs	47,500	9,000	56,500
Exploration costs			
Field expenses	36,594	-	36,594
Geological consulting	241,448	-	241,448
Geophysical	16,309	-	16,309
Drilling	313,518	-	313,518
Total exploration costs	607,869	-	607,869
Total	\$655,369	\$9,000	\$664,369

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 \$374,750 as at the most recent month end being February 28, 2023, 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 February 28, 2023, the Company's share capital was \$1,603,361 representing 25,489,500 issued and outstanding common shares without par value.

During the six months ended February 28, 2023, the Company issued:

- a) On February 21, 2023, the Company issued 100,000 shares with a fair value of \$9,000 in connection to its option to acquire 100% interest in the Dobie Lake Property.

During the six months ended February 28, 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 Columbia 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 300,000 shares with a fair value of \$27,000 in connection to its option to acquire 100% interest in the Skead Copper Property.

Big Red Mining Corp.
Management Discussions and Analysis
For the six months ended February 28, 2023
(all figures in Canadian dollars – unless otherwise noted)

6. TRANSACTIONS WITH RELATED PARTIES

During the six months ended February 28, 2023, the Company:

- Incurred \$75,000 (2022 - \$30,000) in management fees relating to services rendered by a company controlled by the CEO;
- Incurred \$Nil (2022 - \$8,700) in office and miscellaneous relating to rent for head office space which will be paid to the CEO;
- Incurred \$45,000 (2022 - \$40,000) in management fees relating to services rendered by a company controlled by the CFO;
- Incurred \$Nil (2022 - \$54,834) in geological consulting fees which is capitalized to exploration and evaluation assets relating to services rendered by companies controlled by a director of the Company;
- Recognized \$9,589 (2022 - \$75,958) in share-based compensation expense due to the vesting of options granted to directors and officers of the Company.

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 related parties as at February 28, 2023 are included in accounts payable and accrued liabilities:

	February 28, 2023	August 31, 2022
	\$	\$
Due to directors and officers of the Company	8,875	15,750
Other related parties	245	-
Total	\$9,120	\$15,750

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 February 28, 2023 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:

Big Red Mining Corp.
Management Discussions and Analysis
For the six months ended February 28, 2023
(all figures in Canadian dollars – unless otherwise noted)

Recovery of deferred tax assets

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.

Environmental rehabilitation obligation

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.

Fair-value of finder warrants

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.

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.

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

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 February 28, 2023, 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 \$374,750 at February 28, 2023. 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 February 28, 2023, the Company had current liabilities totaling \$72,522 and cash and cash equivalents of \$374,750 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.

Big Red Mining Corp.
Management Discussions and Analysis
For the six months ended February 28, 2023
(all figures in Canadian dollars – unless otherwise noted)

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 February 28, 2023 and the date of this MD&A, the following common shares, options and share purchase warrants were outstanding:

	Number issued and outstanding	
	February 28, 2023	April 26, 2023
Common Shares	25,489,500	25,489,500
Warrants	12,131,150	12,072,350
Options	1,680,000	1,680,000
Fully Diluted	39,300,650	39,241,850

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 February 28, 2023 a total of 10,290,000 shares and 3,645,000 warrants were held in escrow (February 28, 2023 – 15,435,000 shares and 5,467,500 warrants).

12. SUBSEQUENT EVENTS

On March 1, 2023, 58,800 agent warrants with an exercise price of \$0.25 expired unexercised.

13. APPROVAL

The Board of Directors of the Company has approved the disclosure contained in this MD&A on April 26, 2023.

Big Red Mining Corp.
Management Discussions and Analysis
For the six months ended February 28, 2023
(all figures in Canadian dollars – unless otherwise noted)

14. ADDITIONAL INFORMATION

Head Office and Operations

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

CAPITALIZATION

(as at April 26, 2023)
Shares Issued: 25,489,500

AUDITOR

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