



MOUNTAIN BOY MINERALS LTD.

MOUNTAIN BOY MINERALS LTD.
(An Exploration Stage Company)
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED NOVEMBER 30, 2021

INTRODUCTION

This is Management's Discussion and Analysis ("MD&A") for Mountain Boy Minerals Ltd. ("Mountain Boy" or the "Company") and has been prepared based on information known to management as of March 10, 2022. This MD&A is intended to help the reader understand the financial statements of Mountain Boy.

The following information should be read in conjunction with the audited financial statements as at November 30, 2021 and 2020 and the related notes thereto, prepared in accordance with International Financial Reporting Standards ("IFRS"). The MD&A provides a review of the performance of the Company for the year ended November 30, 2021. Additional information relating to the Company can be found on SEDAR www.sedar.com.

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures, and internal controls. Management also ensures that information used internally or disclosed externally, including the financial statements and MD&A, is complete and reliable.

The Company's board of directors follows recommended corporate-governance guidelines for public companies to ensure transparency and accountability to shareholders. The board's audit committee meets with management regularly to review the financial statements, including the MD&A, and to discuss other financial, operating and internal-control matters.

All currency amounts are expressed in Canadian dollars unless otherwise noted.

FORWARD LOOKING STATEMENTS

Certain sections of this MD&A provide, or may appear to provide, a forward-looking orientation with respect to the Company's activities and its future financial results. Consequently, certain statements contained in this MD&A constitute express or implied forward-looking statements. Terms including, but not limited to, "anticipate", "estimate", "believe" and "expect" may identify forward-looking statements. Forward-looking statements, while they are based on the current knowledge and assumptions of the Company's management, are subject to risks and uncertainties that could cause or contribute to the actual results being materially different than those expressed or implied. Readers are cautioned not to place undue reliance on any forward-looking statement that may be in this MD&A.

The following forward-looking statements have been made in this MD&A:

- Impairment of long-lived assets;
- The progress, potential and uncertainties of the Company's mineral properties in British Columbia; and
- Expectations regarding the ability to raise capital and to continue its exploration and development plans on its properties.

ADDITIONAL INFORMATION

Financial statements, MD&A's and additional information relevant to the Company and the Company's activities can be found on SEDAR at www.sedar.com, and/or on the Company's website at www.mountainboyminerals.ca.

SUMMARY AND OUTLOOK

During the year ended November 30, 2021, the Company continued to manage its cash and corporate overhead activities carefully in order to provide capital to fund exploration in subsequent periods. Detailed Mineral Property information, including 2021 activity, can be found in Section 3.

Management's overall expectations for the Company are positive, owing in part to the following factors:

- On December 23, 2020, the Company issued 50,000 common shares with a fair value of \$20,500 for the Rouge claim pursuant to the Theia property acquisition.
- On February 26, 2021, the Company issued 150,000 common shares with a fair value of \$27,750 to the optionors for the Dorothy property.
- On June 14, 2021, the Company issued 50,000 common shares with a fair value of \$10,500 to the optionor for the DOK property.
- On June 22, 2021, the Company issued 100,000 common shares with a fair value of \$19,500 to the optionor for the DOKX-Yeti property.
- The Company issued a total of 12,600 common shares for proceeds of \$3,150 pursuant to the exercise of finder's warrants.
- On December 30, 2021, the Company completed a non-brokered private placement, issuing 7,587,057 flow-through units for gross proceeds of \$1,289,800 and 882,353 units for gross proceeds of \$150,000.

TABLE OF CONTENTS

1. Background	4
2. Overview	4
2(a) Company Mission and Focus	4
2(b) Qualified Person	4
2(c) Description of Metal Markets	4
2(d) Use of the terms “Mineral Resources” and “Mineral Reserves”	4
2(e) Historical estimates are not NI 43-101 compliant	5
3. Mineral Projects	5
3(a) American Creek Project	5
3(b) BA and Surprise Creek Projects	13
(i) BA Project.....	15
(ii) Surprise Creek	18
3(c) Red Cliff Property	18
3(d) Southmore Property	19
3(e) Telegraph.....	19
3(f) Theia Property.....	22
3(g) Manuel Creek Property.....	23
3(h) West George Copper	23
4. Risks and Uncertainties	26
5. Impairment of Long-lived Assets	27
6. Material Financial and Operations Information	28
6(a) Selected Annual Financial Information	28
6(b) Summary of Quarterly Results	28
6(c) Review of Operations and Financial Results	28
6(d) Liquidity and Capital Resources	29
6(e) Disclosure of Outstanding Share Data	31
6(f) Commitment and Contingency.....	32
6(g) Off-Balance Sheet Arrangements	32
6(h) Transactions with Related Parties	32
6(i) Financial Instruments	34
6(j) Management of Capital Risk	35
7. Subsequent Events.....	35
8. Policies and Controls	36
9. Information on the Board of Directors and Management	38



1. Background

The Company is a publicly listed company incorporated on April 26, 1999 with limited liability under the legislation of the Province of British Columbia.

Mountain Boy Minerals Ltd. is a Canadian based mineral exploration company with a property portfolio of gold and silver projects in the Stewart area within the highly prolific Golden Triangle of northwestern British Columbia. It holds a 35% interest in the Red Cliff gold project, 100% of the high-grade American Creek silver-gold project, 100% of the Theia silver-gold project, 100% of the Southmore gold-copper project and is acquiring 100% of the Barbara and Surprise Creek volcanic massive sulphide (VMS) copper-lead-zinc-silver projects. The Company received 3.7 million shares of Ascot Resources Ltd. in 2018 for selling its minority interest in the Silver Coin project.

The Company's head office is 410-325 Howe Street, Vancouver, BC V6C 1Z7. The Company's common shares are traded on the TSX Venture Exchange ("TSX-V") under the symbol "MTB" and on the OTCQB under the symbol "MBYMF".

2. Overview

2(a) Company Mission and Focus

The Company is focused on exploring and developing economic mineral projects in the province of British Columbia.

2(b) Qualified Person

Mr. Andrew Wilkins, P.Geo, is a Qualified Person, as defined by National Instrument 43-101. Mr. Wilkins has reviewed the technical contents of this MD&A.

2(c) Description of Metal Markets

Market interest for all metals such as gold and copper is volatile and the Company will monitor its resources relative to its opportunities during the coming fiscal year.

2(d) Use of the terms "Mineral Resources" and "Mineral Reserves"

The reader is referred to the document entitled "CIM DEFINITION STANDARDS - For Mineral Resources and Mineral Reserves", published by the Canadian Institute of Mining, Metallurgy and Petroleum at: https://mrmr.cim.org/media/1092/cim_definition_standards_20142.pdf.

Any reference in this MD&A to Mineral Resources does not mean Mineral Reserve.

A Mineral Reserve is the economically mineable part of a Measured or Indicated Mineral Resource demonstrated by at least a Preliminary Feasibility Study. This Study must include adequate information on mining, processing, metallurgical, economic and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified. A Mineral

Reserve includes diluting materials and allowances for losses that may occur when the material is mined.

Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories. An Inferred Mineral Resource has a lower level of confidence than that applied to an Indicated Mineral Resource. An Indicated Mineral Resource has a higher level of confidence than an Inferred Mineral Resource but has a lower level of confidence than a Measured Mineral Resource.

2(e) Historical estimates are not NI 43-101 compliant

The historical estimates contained in this MD&A have not been calculated in accordance with the mineral resources or mineral reserves classifications contained in the CIM Definition Standards on Mineral Resources and Mineral Reserves (*op. cit.*), as required by National Instrument 43-101 ("NI 43-101"). Accordingly, the Company is not treating these historical estimates as current mineral resources or mineral reserves as defined in NI 43-101, and such historical estimates should not be relied upon. To date, no qualified person has done sufficient work to classify the historical estimates as current mineral resources or mineral reserves.

3. Mineral Projects

Mountain Boy is engaged in the exploration and evaluation of a portfolio of mineral properties located in the prolific Golden Triangle of north-western British Columbia.

The seven projects in the Golden Triangle are: (a) American Creek (silver-zinc-lead-copper-gold); (b) BA; (c) Surprise Creek; (d) Red Cliff; (e) Southmore; (f) Telegraph and (g) Theia. The Manuel Creek project located in the Osoyoos mining district was sold in return for cash and a production royalty.

3(a) American Creek Project

The 2,602-hectare **American Creek Project** collectively consists of three properties, the **MB-Silver**, **Dorothy** and **Silver Crown** properties. It is located 22 kilometres north of the town and deep-water port of Stewart, B.C. and is a part of the Stewart camp in British Columbia's Golden Triangle.

MB-Silver Property; the Company owns a 100% interest in the 649-hectare MB Silver property.

Dorothy Property; on March 1, 2019, the Company entered into an option agreement to acquire a 100% interest in the Dorothy property. The 587-hectare property is contiguous with the Company's MB Silver property located to the south.

Pursuant to the terms of the agreement, the following share issuances and payments are required:

	Cash		Shares		Cumulative Exploration Work Commitments
5 days from TSXV approval	\$ 5,000	Paid	100,000	Issued	\$ -
March 1, 2020	15,000	Paid	100,000	Issued	\$ 50,000 Met
March 1, 2021	25,000	Paid	150,000	Issued	\$ 125,000 Met
		Subsequently		Subsequently	
March 1, 2022	25,000	paid	200,000	issued	\$ 200,000
March 1, 2023	50,000		250,000		\$ 500,000
TOTAL	\$ 120,000		800,000		

Silver Crown Property; on March 17, 2019, the Company entered into an option agreement to acquire a 100% interest in a portion of the Silver Crown property covering 1,366 hectares. Under the agreement with AUX Resource Corporation (“AUX”), the Company participated in an underlying option agreement, by which the two companies divide the property based on the relative areas, each taking portions adjacent to existing projects, with AUX being responsible for 15% of the payments to the underlying owners and the Company being responsible for 85% of the payments. The Silver Crown option property is contiguous with the MB Silver and Dorothy projects located to the east.

AUX and the Company, at the time the agreement was entered into, had one director in common with the decision on this agreement determined by the other directors. The underlying AUX option of the Silver Crown property is an arm's-length transaction.

In March 2021, the Company completed the acquisition of a 100% interest in a portion of the Silver Crown property by reimbursing AUX its 85% of the required \$120,000 cash payments and 500,000 common shares to the underlying owners. The underlying owners retain a 2% net smelter return royalty, of which one-half can be purchased for \$1 million until 90 days after the start of commercial production, with an advance royalty commencing in 2026.

Current Exploration

On February 24, 2021, the Company reported the results from its 2020 exploration program. The program, which wrapped up in early November, included 2,100 metres of a planned 4,000-metre drill campaign. Three target areas spanning 2.5 kms were tested, two for the first time. Results provide encouragement to resume the program as soon as possible in the upcoming season.

Wolfmoon Area

Wolfmoon, a new discovery in 2019, was tested with the first 5 holes of the program. The drilling was intended to follow-up on surface samples with high gold and silver values coincident with chargeability anomalies from the Induced Polarization survey. Drilling at Wolfmoon confirms the presence of polymetallic mineralization close to surface (see table of significant values below),

but further interpretation will be required to identify areas of greater vein density in advance of the next phase of drilling.

Surface sample 71545 was taken 2 kilometres to the north-northwest of the Wolfmoon zone and returned **1,488 grams per tonne silver, 1.14% lead, 0.54% zinc and 3.05 grams per tonne gold**, demonstrating considerable strike length to this style of mineralization. This grab sample and other notable samples are listed in Table 2 below.

Mountain Boy Area

Historically, the High-Grade Vein had the best silver values in the Mountain Boy Mine and, drilling in 2006 yielded 6 holes with kilogram-plus silver values. Steep terrain in the vicinity of the vein makes logistics difficult. Three holes were drilled from a pad 140 metres to the north and 100 metres higher in elevation of the 2006 holes. The holes were targeting the shallow dipping structure that in part controls the mineralization. The first hole failed to reach target depth due to faulting and broken rock. Holes MB-2020-002B and MB-2020-005 intersected low-grade polymetallic mineralization, including low-grade gold, but did not encounter significant silver mineralization. The two holes intersected mineralization 30 and 60 metres north of the 2006 drilling.

The geological team interprets that drilling intersected one of the controlling structures for mineralization but has not intersected the ore shoot within the structure. It is now hypothesized that the high-grade mineralization is controlled by the intersection of steeper structures cross cutting the identified shallow dipping vein structure. Drilling in 2021 supported this premise and provided information that will be used to determine the orientation of the high-grade ore shoots. Other local vein sets in the area were also further evaluated for the potential to host similar mineralization.

The mineralization encountered in the 2020 drilling occurs as opaque, iron-black, fine grained material with a hardness of approximately 3 on the Mohs hardness scale. The sulphides occur in quart-barite vein hosted breccias, massive sulphide veins and wisps and stringers. The mineralization from the 2020 program visually resembles the mineralization from the 2006 program that yielded kilogram silver values. The expectations based on previous drilling and the similarity in appearance of silver sulphides and iron rich zinc sulphides led to a misinterpretation of the sulphide species.

The next phase of drilling for this target will incorporate the improved knowledge of the structures in the area. In addition, plans are progressing to explore from underground.

Four Bees Area

Hole MB-2020-004 was drilled to test the Four Bees target, a vein in the MB-Silver area. The drill hole intersected 6 metres of 59.23 grams per tonne silver, including 2 metres of 101 grams per tonne silver. Several encouraging surface grab samples were collected from this target, including C0034472 with **685 grams per tonne silver, 1.01% copper, 1.05% lead and 5.4% zinc**. The hole was drilled from the MB Silver mine road using a track mounted drill. The hole is

interpreted to have been drilled parallel and below the main vein. A helicopter drill pad is in place to further test this target.

Drilling on the Upper Ruby Zone intersected significant zinc values including 2.75% zinc, 0.8% lead and 0.35 grams per tonne gold over 1.8 metres. This was the first test of this newly discovered target, located 430 meters north of the historic mine area.

On a bench above the historically mined area, surface samples returned gold and copper values including sample 71681 at 4.8 grams per tonne gold, 4.5% copper, and 32 grams per tonne silver. The relationship of this mineralization to the silver and base metal mineralization at the historic mine site will be examined in the upcoming season.

Table 1

High Grade								
Hole ID	From	To	Width	Au (ppm)	Ag (ppm)	Cu (ppm)	Pb (ppm)	Zn (ppm)
MB-2020-001	107.36	107.8	0.44	0.217	5.55	217	2653	25200
MB-2020-002	42	45	3	0.576	0.31	3	35	223
MB-2020-002	50.28	51.9	1.62	0.127	1.54	14	788	2688
MB-2020-002B	155	159	4	0.066	6.99	692	1284	10819
MB-2020-002B	192	195	3	0.128	0.31	19	110	1033
MB-2020-002B	207	210	3	0.000	45.80	68	34	168
Upper Ruby								
Hole ID	From	To	Width	Au (ppm)	Ag (ppm)	Cu (ppm)	Pb (ppm)	Zn (ppm)
MB-2020-003	14	23	8.97	0.000	45.72	403	343	562
MB-2020-003	61.18	80.5	19.32	0.000	0.71	10	430	1733
MB-2020-003	80.5	84.58	4.08	0.152	6.32	206	4756	12855
including			1.8	0.350	11.41	416	8127	27500
Four Bees								
Hole ID	From	To	Width	Au (ppm)	Ag (ppm)	Cu (ppm)	Pb (ppm)	Zn (ppm)
MB-2020-004	86	113	27	0.000	21.56	17	136	125



including		6	0.000	59.23	16	242	156	
		2	0.000	101.00	25	91	107	
Wolfmoon								
Hole ID	From	To	Width	Au (ppm)	Ag (ppm)	Cu (ppm)	Pb (ppm)	Zn (ppm)
WM-2020-001	5	6.55	1.55	0.126	1.33	27	116	665
WM-2020-001	27.6	29.2	1.6	0.682	12.28	196	1040	3676
WM-2020-001	39.2	40	0.8	0.264	33.43	87	1267	583

Table 2

Sample ID	Target	Zone	Type	(m)	Au (ppb)	Ag (ppm)	Cu (ppm)	Pb (ppm)	Zn (ppm)
C0034471	MB Silver	Four Bees	grab		43	179	1391.5	3251.7	5770
C0034472	MB Silver	Four Bees	grab		150	685	10100	10500	54000
C0034473	MB Silver	Four Bees	grab		52	143	1938.2	6843.3	31000
71682	MB Silver	MB Bench			194	18.68	2296.8	290	62
71685	MB Silver	MB Bench	chip	1	1265	13.08	3655.6	90.6	128
71681	MB Silver	MB Bench			4757	32.26	44850	24.8	92
71781	MB Silver	MB Bench			203	27.86	48450	59	46
71782	MB Silver	MB Bench			3271	15.32	16640	43.7	100
71783	MB Silver	MB Bench			172	5.15	2226.6	133.4	98
71784	MB Silver	MB Bench			7	0.47	121.9	58.8	179
71785	MB Silver	MB Bench			1988	18.7	767.2	71.1	6
A00217653	MB Silver		float		212	159	554.7	246500	18500
71516	Wolfmoon		grab		65	20.68	2305.3	244.3	201
71752	Wolfmoon		grab		19700	2446	3297.6	18000	143
71545	North Wolfmoon		Grab		3058	1488	186.6	11400	15400
71655	East		Grab	0.2	951	279	895.9	4104.7	90

Sample ID	Target	Zone	Type	(m)	Au (ppb)	Ag (ppm)	Cu (ppm)	Pb (ppm)	Zn (ppm)
	Wolfmoon								
71656	East Wolfmoon		Grab		148	12.37	37.2	86.9	111
71506	East Wolfmoon		grab	0.1	18	267	205.1	530	481
71728	East Wolfmoon		Grab		186	344	2690.2	5416.8	1159
71629			Grab		233	38.02	18.9	47200	129800
71512	Lucky Jim	Joven	Grab		190	61.6	273	9387	55300
71515	Lucky Jim		Grab		199	5.52	391.6	3239.1	16900
71549	Ruby	Upper Ruby	grab		9	248	901.3	200.5	435

On July 19, 2021, the Company announced the upcoming drill program targeting four areas: the High-Grade zone, the newly discovered extension of the High-Grade zone, the Four Bees zone and the Maybee zone to the north. Drilling of the High-Grade zone would be at a different azimuth with the intention of testing the intersection of the shallow westward-dipping thrust fault and the east-to-west-cutting cross structures.

On July 22, 2021, the Company reported assay results from the extension of the High-Grade zone and confirmed that drilling was set to commence at the end of July.

On August 16, 2021, the Company announced that five drill holes were completed on the High-Grade zone and two holes were completed on the High-Grade extension. The drill at the Maybee Zone had commenced. Core samples were shipped to the lab from the High-Grade and High-Grade extension pads and assays were pending. Results from surface sampling earlier this season had been received with highlights in the table below.

Select Assays from Surface Samples at American Creek					
SampleID	Zone	Ag (ppm)	Cu (%)	Pb (%)	Zn (%)
C0033358	Maybee	3,444.0	1.501	0.009	0.031
C0034021	Mann	2,922.0	0.495	0.132	0.245
C0034057	High-Grade Ext	949.0	0.328	2.770	0.068
C0033353	Jewelry Box	721.0	0.145	0.091	0.121
C0033301	High-Grade	520.0	0.920	3.490	1.250
C0034023	Mann	505.0	0.196	15.260	0.807
C0034056	High-Grade Ext	456.0	2.223	0.225	0.400
C0033361	Maybee	443.0	0.626	0.336	0.785
C0034020	Mann	343.0	0.013	0.157	0.147

Select Assays from Surface Samples at American Creek					
SampleID	Zone	Ag (ppm)	Cu (%)	Pb (%)	Zn (%)
C0034003	Four Bees	329.0	0.489	0.371	1.560
C0034004	Four Bees	279.0	0.316	0.773	0.920
C0034052	High Grade	242.0	6.166	5.140	10.730
C0034019	Mann	227.0	0.788	0.174	2.500
C0034016	Mann	185.0	0.005	0.004	0.020
C0034002	Four Bees	170.0	0.081	0.107	0.282
C0034053	High-Grade	127.0	4.214	0.525	0.293
C0034024	Mann	110.0	0.054	0.068	2.170
C0034051	High-Grade	104.0	0.380	10.680	17.570
C0034022	Mann	100.0	0.008	0.028	0.197
C0033354	Jewelry Box	91.8	0.020	0.142	0.117
C0033365	Franmar	91.5	0.043	0.169	0.254
C0033352	Jewelry Box	77.7	0.004	0.002	0.010
C0034001	Four Bees	72.0	0.003	0.160	0.039
C0034151	Four Bees	63.3	0.217	0.205	0.071
C0033356	Four Bees	51.5	0.002	0.028	0.006
C0033364	Franmar	37.6	0.018	0.073	0.480
C0034058	High-Grade Ext	20.6	1.050	0.035	0.249

On November 9, 2021 the Company announced the results from its 2021 field program on American Creek which included drilling, underground and surface sampling as well as surface geologic mapping and soil geochemistry. The results confirm the presence of a large silver-gold-base metal mineralizing system and outlined several new prospective areas for further exploration.

The 2021 drill program consisted of eight diamond drill holes, of which seven reached target depth (866 metres of drilling). Those holes tested 2,000 metres of strike length along trend to the north from the main mineralized zone around the old mine area, referred to as MB-Silver. Drilling intersected silver-gold-base metal mineralization and provided further information in support of the evolving geological model for this extensive mineralized system. The holes encountered variable grades of silver, lead, zinc, copper and gold and are being reported as silver equivalents.

Four short holes targeted the historic High-Grade zone.

- Drill hole MB-2021-04 intersected 1.7 metres of 414 g/t Ag, including 0.8 metres of 763 g/t AgEq.
- Drill hole MB-2021-02 intersected 3.9 metres of 196 g/t AgEq.

Geological mapping and access for drilling is challenging in the steep terrain. Nevertheless, the High-Grade vein was traced to the newly discovered High-Grade Extension (“HGX”), 310 metres to the north. Several surface samples from the High-Grade and HGX zones returned highly encouraging values, including:

- Grab sample C0034057 from HGX, which assayed 949 g/t silver, 2.77% lead and 0.33% copper.
- Grab sample C0034051 from High-Grade, which assayed 17.57% zinc, 10.68% lead, 104 g/t silver, and 0.38% copper.
- Grab sample C0034052 from High-Grade, which assayed 10.73% zinc, 6.16% copper, 5.14% lead, and 242 g/t silver.

Table 3 - Table of significant drill intercepts from the High-Grade Zone

Drill Hole ID	From (m)	To (m)	Interval	AgEq (gpt)	Ag (ppm)	Au (ppm)	Cu (ppm)	Pb (ppm)	Zn (ppm)
MB-2021-02	43.06	46.95	3.89	195.70	24.61	0.020	845.1	21462.0	21948
including	43.06	43.95	0.89	68.70	16.92	0.014	836.9	2203.3	7945
including	43.95	44.95	1.00	441.58	43.69	0.026	1771.3	61000.0	43800
including	44.95	45.95	1.00	234.10	24.11	0.018	510.8	20300.0	33100
including	45.95	46.95	1.00	24.47	12.87	0.023	260.5	226.4	1405
MB-2021-04	38.00	41.20	3.20	241.70	205.72	0.112	715.3	809.6	3819
including	38.00	38.55	0.55	90.36	35.28	0.030	857.9	489.8	9650
including	38.55	39.45	0.90	99.76	69.17	0.045	611.4	982.7	3924
including	39.45	40.25	0.80	762.96	704.00	0.371	1177.7	1437.8	2811
including	40.25	41.20	0.95	24.84	14.16	0.006	341.8	301.9	1192

- **Silver-equivalent values are calculated using the current commodity spot prices for November 5, 2021 and assumes 100% recovery. Metal price assumptions are US\$23.82 /oz silver, US\$1793.20 /oz gold, US\$4.35 /lb copper, \$1.08/lb lead and US\$1.46/lb zinc. The formula is as follows; $(\$23.82 / \text{oz Ag} \times \text{g/t Ag assay} / 31.1035 \text{ g/oz}) + (\$1793.20 \text{ Au/oz} \times \text{g/t Au assay} / 31.1035 \text{ g/oz}) + (\$4.35 \text{ Cu/lb} / 453.59237 \text{ g/lb} \times \text{g/t copper assay}) + (\$1.08 \text{ Pb/lb} / 453.59237 \text{ g/lb} \times \text{g/t lead assay}) + (\$1.46 \text{ Zn/lb} / 453.59237 \text{ g/lb} \times \text{g/t zinc assay}) / (31.1035 \text{ g/oz} / \$23.82 / \text{oz Ag})$.*

These samples demonstrate that this geological system hosts meaningful grades. Drill hole MB-2021-06, the first to test the HGX target area, encountered low grade base metal values from 21 to 161 meters. Drill hole MB-2021-07 encountered 2.9 metres of 120 g/t AgEq. Additional systematic work is needed to continue defining this target for future drilling.

Mapping and sampling at the Maybe Zone, 2 kilometres to the north of the MB-Silver mine area, yielded a grab sample that assayed 3,444 g/t silver and 1.50% copper. This is one of several areas on the property that have yielded high grades of copper along with significant silver values.

A single drill hole tested this target zone and encountered anomalous silver, lead, zinc and copper from 3.7 to 85 metres depth, the zone is considered prospective and has potential to host significant mineralization.

Highlights from underground sampling include:

- 1 metre of 0.28 g/t gold, 166 g/t silver, 0.83% lead and 9.6% zinc;
- 1 metre of 0.24 g/t gold, 23 g/t silver, 0.17% lead and 10% zinc;
- 1 metre of 331 g/t silver.

Gold was generally not assayed in the previous work as the focus of the historic mining was on silver. The presence of gold in the assays will add value to the deposit. Areas with high grades of zinc are now being evaluated in more detail.

3(b) BA and Surprise Creek Projects

The 10,658-hectare **BA Project** is located 20 kilometres north-east of the town and deep-water port of Stewart, B.C. and is a part of the Stewart camp in British Columbia's Golden Triangle. Highway 37A and a power line runs through the northern portion of the property.

The 7,466-hectare **Surprise Creek Project** is located 30 kilometres north-east of Stewart, B.C. at headwaters of Surprise Creek. It is also part of the Stewart camp in British Columbia's Golden Triangle. It is to the north and across Highway 37A from the BA Project. A 12-kilometre gravel road from Highway 37A accesses the south-east corner of the property.

By an agreement dated September 21, 2006, the Company acquired a 50% interest in the BA property which at the time consisted of 10 mineral claims situated in the Skeena Mining Division of British Columbia. The Company was required to complete an 800-metre drill program on the property (completed). The property is subject to a 2% net smelter return royalty to a former director of the Company of which 1% may be purchased for \$500,000. During the year ended November 30, 2007, the Company acquired the remaining 50% interest in the property.

On January 28, 2010, the Company entered into an option and joint venture agreement with Great Bear Resources Ltd. ("Great Bear") which granted Great Bear the option to acquire up to a 70% interest in the Barbara, Stro, Booze and George Copper properties ("BA Properties"). On April 1, 2010, the Company received TSX-V approval for the agreement and issued 120,000 common shares valued at \$1.00 per share as a finder's fee with respect to this transaction. The agreement gave Great Bear the option to earn an initial 50% interest in the BA Properties by paying \$158,000 (paid) and incurring \$5,500,000 in exploration expenditures on or before December 31, 2013 (incurred).

The option and joint venture agreement was amended on October 25, 2010, such that Great Bear could earn an additional 20% interest by completing a bankable feasibility study on or before December 31, 2015. Great Bear did not complete a bankable feasibility study by December 31, 2015 and therefore did not execute their option to acquire an additional 20% interest in the properties. In consideration of the amendment, Great Bear included the Surprise

Creek Property under the terms of the agreement and the acquisition costs for the Surprise Creek Property were borne entirely by Great Bear, and were applied against the earn-in requirement towards the Barbara Property. The Surprise Creek Property consists of 19 mineral claims situated in the Skeena Mining Division of British Columbia.

On October 18, 2016, the Company and Great Bear amended their agreement and entered into separate joint venture agreements for the BA and Surprise Creek properties. The joint venture agreements set Great Bear as the operator of the BA property and set the Company as the operator of the Surprise Creek property. Both the Company and Great Bear retain a 50% ownership interest in the Surprise Creek and BA properties.

On June 1, 2017, the Company and Great Bear entered into an additional option agreement in which the Company was granted the option to acquire Great Bear's 50% interest in the BA and Surprise Creek properties by issuing a total of 2,000,000 common shares and paying \$1,300,000 to Great Bear in stages between the date of TSX-V acceptance of the agreement and August 20, 2020 as follows:

- On signing, Great Bear will receive 500,000 shares (issued)
- \$150,000 by August 20, 2017 (paid);
- \$150,000 by November 20, 2017 (paid);
- 500,000 shares by April 15, 2018 (issued) and \$300,000 by August 20, 2018 (deferred to March 20, 2019 by issuing 120,000 shares; the Company transferred 323,000 common shares of Ascot to Great Bear in lieu of making the \$300,000 cash payment);
- 500,000 shares by April 15, 2019 (issued) and \$350,000 by August 20, 2019 (the Company transferred 425,000 common shares of Ascot to Great Bear in lieu of making the \$350,000 cash payment);
- 500,000 shares by April 15, 2020 (issued) and \$350,000 by August 20, 2020 (the Company issued 620,000 common shares to Great Bear in lieu of making the \$350,000 cash payment).

In addition, the Company will make cash payments to Great Bear on achieving certain milestones toward establishing an economic resource, which could amount to as much as \$3,700,000 were both properties to go into production.

With the final issuance of the 620,000 common shares in lieu of the \$350,000 payment in August 2020, the Company has no further obligations to Great Bear other than the payments related to reaching certain milestones (including completing a resource estimate, completing a prefeasibility study and the commencement of mine development).

(i) BA Project

The BA Project collectively consists of several historic mineralized zones including the Red Top, George Gold-Copper, Grand View, Superior and MG zones. More recently, exploration in the high country to the south led to the discovery of the Barbara, BOD, Nelson and Sarah zones.

Current Exploration

On March 31, 2021, the Company announced that channel sampling on its BA property has further extended the silver-lead-zinc volcanogenic massive sulphide mineralization beyond the zone previously drilled. The mineralized zone is located 4 kilometres (km) south of the Stewart highway. This newly uncovered area occurs at the northern end of the main Barbara zone and has never been drill tested. Assays of up to 601 grams per tonne silver, 1.98 grams per tonne gold, 3.31% lead and 9.96% zinc have been returned from the channel sampling in the 2010, 2016 and 2020 programs. To date, drilling and channel sampling has confirmed 700 metres of strike length to the Barbara Zone and it remains open.

On August 4, 2021, the Company announced that detailed mapping as well as channel sampling on the BA project was underway in support of drilling which was set to commence at the end of August.

On November 29, 2021, the Company announced results from its 2021 field program on the BA project which included drilling, geologic mapping, prospecting, and channel sampling.

The 2021 drill program consisted of 650 metres of diamond drilling in four drill holes that successfully tested the northern extension of the Barbara zone which was drilled between 2006 and 2010. The historic drilling delineated substantial near surface silver-lead-zinc mineralization extending over 610 metres. The objective of the 2021 drilling was to test the northern extension of the zone where previous surface channel sampling had yielded promising silver and base metal values. Results extended the mineralized horizon an additional 100 metres and remains open. In addition to extending the silver-lead-zinc zone, drilling encountered meaningful amounts of gold and copper.

The holes encountered variable grades of silver, lead, zinc, copper and gold. Silver-equivalents and zinc-equivalents have been calculated (AgEq and ZnEq). Table 4 below includes the highlights.

Table 4 - Table of significant drill intercepts from the 2021 BA drilling

BHID	From (m)	To (m)	Interval	AgEq (gpt)	ZnEq (%)	Au (ppm)	Ag (ppm)	Cu (ppm)	Pb (%)	Zn (%)
BA-2021-01	6.60	23.10	16.50	64.4	1.53	0.003	28.63	191	0.17	0.66
including	17.82	23.10	5.28	137.7	3.28	0.008	71.03	519	0.33	1.17
BA-2021-01	38.86	43.90	5.04	28.7	0.68	0.027	3.78	1760	0.00	0.02
BA-2021-02	17.80	26.69	8.89	158.2	3.76	0.006	65.08	388	0.57	1.67
including	22.85	24.05	1.20	406.3	9.67	0.009	148.00	1368	2.03	4.22
BA-2021-02	53.45	54.20	0.75	45.3	1.08	0.095	12.52	1910	0.01	0.04
BA-2021-02	105.73	113.40	7.67	178.9	4.26	0.007	38.06	127	0.86	2.67
BA-2021-02	108.41	109.50	1.09	468.1	11.14	-0.005	84.66	169	3.76	6.30
BA-2021-03	0.00	30.19	30.19	50.5	1.20	0.202	11.72	49	0.11	0.46
including	24.41	30.19	5.78	78.0	1.86	0.007	31.66	105	0.26	0.86
and	27.63	30.19	2.56	127.5	3.03	0.007	55.37	117	0.39	1.38
and	11.30	12.16	0.86	115.1	2.74	1.400	4.28	31	0.05	0.08
BA-2021-03	56.25	57.23	0.98	135.8	3.23	1.590	3.63	930	0.00	0.02
BA-2021-04	21.30	38.55	17.25	73.5	1.75	0.002	31.12	168	0.18	0.82
including	24.95	27.25	2.30	189.2	4.50	0.011	113.84	521	0.52	1.23
and	36.50	38.55	2.05	116.7	2.78	0.007	51.33	522	0.25	1.20
BA-2021-04	104.15	123.26	19.11	86.0	2.05	0.000	27.96	78	0.34	1.11
including	104.15	107.80	3.65	158.9	3.78	0.000	56.47	91	0.28	2.20

*Silver-equivalent and zinc-equivalent values are calculated using the current commodity spot prices for November 5, 2021 and assumes 100% recovery. Metal price assumptions are US\$23.82 /oz silver, US\$1793.20 /oz gold, US\$4.35 /lb copper, \$1.08/lb lead and US\$1.46/lb zinc.

On January 10, 2022, the Company announced further results from its 2021 field program on the BA project.

The MJ target was identified through mapping and prospecting and was followed up with limited channel sampling. The zone occurs approximately 3 kilometres to the northeast of the Barbara zone, which has been partially outlined by 182 diamond drill holes. This new zone is at the contact of the underlying Lower Hazelton volcanic rocks and the overlying Upper Hazelton sediments.

Polymetallic mineralization is hosted in a quartz-carbonate stockwork and as disseminations in the volcanic rocks. Several samples assayed high grade silver values with multi percent combined lead and zinc values (see Table 5 for surface sample highlights). This new zone is significant as it establishes another manifestation of the VHMS mineralization and highlights the

potential scale of the system. This new target area will be the focus of follow up work in the 2022 field season. Work will include detailed mapping, a drone survey and additional channel sampling.

Table 5

Sample No	Target	Samp Type	AgEq (gpt)	ZnEq (%)	Au (gpt)	Ag (gpt)	Cu (%)	Pb (%)	(Zn %)
C0033349	MJ	grab	6745.42	141.41	1.40	5602.00	2.423	16.710	4.030
C0033347	MJ	grab	1034.27	21.68	0.07	274.00	0.007	15.810	5.580
C0033956	MJ	proximal float	1015.62	21.29	0.02	936.00	0.230	1.010	2.350
C0033339	MJ	float	192.61	4.04	-0.01	116.00	0.016	1.570	5.810
C0033147	MJ	proximal float	158.80	3.33	-0.01	138.00	0.061	0.278	0.777
C0034397	MJ	grab	147.33	3.09	0.01	128.00	0.063	0.221	7.880
C0033338	MJ	float	137.48	2.88	0.01	56.77	0.001	1.670	2.320
C0033346	MJ	grab	107.73	2.26	-0.01	43.86	0.057	1.190	0.343
C0033348	MJ	grab	65.25	1.37	-0.01	27.58	0.005	0.785	2.470
C0034146	MJ	channel	54.56	1.14	-0.01	11.81	0.000	0.903	0.828
C0033149	MJ	subcrop grab	53.80	1.13	-0.01	30.83	0.025	0.422	1.470
C0033141	MJ	float	40.31	0.84	-0.01	23.26	0.003	0.358	0.703
C0033150	MJ	composite	38.87	0.81	-0.01	23.91	0.006	0.304	0.391
C0033146	MJ	select grab	23.13	0.48	-0.01	16.48	0.005	0.134	0.894
C0033350	MJ	grab	22.97	0.48	0.01	17.30	0.007	0.089	0.102
C0033340	MJ	grab	22.83	0.48	0.27	1.12	0.001	0.014	0.059
C0033342	MJ	float	18.93	0.40	-0.01	9.45	0.005	0.193	0.153
C0033959	MJ	grab	18.04	0.38	0.16	5.07	0.000	0.003	0.006
C0033336	MJ	float	14.90	0.31	-0.01	7.60	0.003	0.152	0.265

*Silver-equivalent and zinc-equivalent values are calculated using the current commodity spot prices for December 24th, 2021. For the purposes of exploration targeting, metal recoveries are assumed to be 100%. Metal price assumptions are US\$23.00 /oz silver, US\$1805.55 /oz gold, US\$4.40 /lb copper, \$1.05/lb lead and US\$1.60/lb zinc.

The North Nelson Zone was also discovered in the 2021 field season and is located approximately 4 km to the east from the Barbara Zone. The new discovery occurs along a structure that trends to the south, towards the Nelson Zone. This new zone is highlighted by two soil geochemistry lines that are anomalous in copper, lead and zinc and a grab sample that assayed 1157 g/t silver, 0.35% copper, 0.79% lead and 0.42% zinc. Further mapping and sampling is proposed for the 2022 season with the objective of defining the extent of this prospective target.

An area located at the toe of the Nelson glacier, approximately 7 km east from the Barbara zone has returned a grab sample assaying 11.3 g/t gold and 0.2% copper. This sample and area will be further explored in the 2022 season.

(ii) Surprise Creek

Ten mineralized zones have been defined on the project. The zones are: Ataman (SURP 6 North), Conglomerate Ridge, SURP 3,4, SURP 5 North, SURP 5 South, SURP 7, Jagiello, Grunwald (SURP 6 South, SURP 8), QSP, and Sage.

3(c) Red Cliff Property

The **Red Cliff** property is a former producing copper and gold property located 20 kilometres north of Stewart, B.C. It consists of 8 Crown granted mineral claims. The Company owned a 100% interest in the Red Cliff property. The Red Cliff property was subject to a 2% net smelter return royalty of which the Company may purchase 1% for \$1,000,000. On January 18, 2022, the Company exercised its right of first refusal and acquired the 1.0% NSR for \$375,300.

On November 19, 2008, the Company entered into an option agreement with Decade Resources Ltd. (“Decade”), a company with a former director in common with the Company to option Decade a 60% interest in the Red Cliff claims by incurring \$1,250,000 in exploration expenditures on the Red Cliff Claims. Decade became the operator of the property..

On October 31, 2011, the Company informed Decade that the Company could not finance its share of exploration expenditures and therefore would have its interest diluted under the terms of the joint venture agreement. As at October 31, 2011, the Company owed Decade \$435,785 in exploration expenditures related to its 40% interest in the Red Cliff property. Effective November 1, 2011, the Company agreed to dilute its interest by 5% in lieu of the \$435,785 thereby reducing its interest to 35%.

On October 23, 2017, Decade and the Company purchased a 1% NSR in the Red Cliff claims whereby the Company paid \$3,500 in cash and issued 34,286 common shares for the Company’s 35% interest in the NSR.

On March 28, 2019, Decade and the Company signed a settlement and amending agreement to settle the amount owed by the Company to Decade (net of the receivable from Decade) up to the date of the agreement being \$925,000 and such amount shall be paid on or before June 30, 2019. As a result, the Company recorded a gain on settlement of debt of \$172,757 during the year ended November 30, 2019. As of November 30, 2021, the Company had a balance payable to Decade of \$24,286 for joint venture exploration costs on Red Cliff which was included in due to joint venture partner.

During the year ended November 30, 2021, the Company incurred \$35,101 (2020: \$25,967) in joint venture exploration costs to Decade on the Red Cliff property.

3(d) Southmore Project

The 5,038-hectare **Southmore Project** is located in the “Golden Triangle” within the Skeena Mining Division of British Columbia; 40 km northwest of the historic Eskay Creek Mine, 7 kilometres south of the completed Galore Creek access road and 30 kilometres west of highway 37 and the Northwest high-voltage transmission line.

On August 23, 2019, the Company acquired 100% interest in this property through staking and a purchase agreement with a third party by issuing 160,000 common shares of the Company.

Current Exploration

On March 3, 2021, the Company announced results from its 2020 exploration program on the project. The 2020 program continued the prospecting and mapping that was initiated in 2019 in order to broaden the geological understanding, including the structural controls for mineralization. The Southmore project was explored in the late 1980s and early 1990s, resulting in several significant mineral occurrences being identified, but there was no follow-up until the Company consolidated the property in 2019 through staking and acquisition. Key findings from the recent program include the identification of several small intrusive bodies with locally associated mineralization as well as other mineralized structures. Historic and current results, as well as the prospective geological setting are encouraging.

On June 3, 2021, the Company announced that it had scheduled a SkyTEM airborne geophysical survey over the project. Following this geophysical program, a field program would be planned to ground truth geophysical results and expand on the current exploration results with the intention of developing future drill targets.

3(e) Telegraph Project

The 23,627-hectare **Telegraph Project** was consolidated by the Company by signing two option agreements and staking open ground. The Telegraph Project is located in BC’s Golden Triangle, in the vicinity of several large porphyry deposits including Galore Creek (Teck - Newmont), Schaft Creek (Teck - Copper Fox), Big Red (Liberio Copper and Gold), Saddle and Saddle North (Newmont) and the operating Red Chris copper-gold mine (Newcrest - Imperial Metals). Access to the property is via helicopter or fixed wing plane to an airstrip on the eastern part of the claim block. The Stikine River, 3 km to the west of the property, is navigable from the ocean port of Wrangell, Alaska. The Barrington Road, from Telegraph Creek, comes to within 15 km of the northern part of the claims.

On April 30, 2021, the Company entered into an option agreement to earn 60% interest in the Telegraph (DOK) Property. To earn the 60% interest, over a five-year period the Company is to pay a total of \$230,000 to the optionor, issue 1,500,000 common shares as purchase consideration to the optionor and incur a cumulative \$2,500,000 exploration work. The underlying owners of the property have a 3% NSR with the optionor having the right to purchase 2% of the NSR for \$2 million.

	Cash		Shares		Cumulative Exploration Work Commitments
5 days from signing agreement	\$ 10,000	Paid			\$ -
Upon the TSXV approval	-		100,000	Issued	\$ -
		Subsequently		Subsequently	
January 15, 2022	20,000	paid	200,000	issued	\$ 150,000
January 15, 2023	20,000		200,000		\$ 650,000
January 15, 2024	50,000		200,000		\$ 1,150,000
January 15, 2025	60,000		200,000		\$ 1,750,000
January 15, 2026	70,000		600,000		\$ 2,500,000
TOTAL	\$ 230,000		1,500,000		

On April 30, 2021, the Company entered into an option agreement to earn 100% interest in the Telegraph (DOKX-Yeti) Property. To earn the 100% interest, over a four-year period the Company is to pay a total of \$150,000 to the optionor, issue 500,000 common shares as purchase consideration to the optionor and incur a cumulative \$500,000 exploration work. The underlying owner of the property has a 1% NSR and the optionor has a 0.1% NSR. The Company has the right to buy back 0.5% NSR from the underlying owner for \$500,000 if cumulative \$500,000 exploration work has been met.

	Cash		Shares		Cumulative Exploration Work Commitments
2 days from signing agreement	\$ 5,000	Paid			\$ -
45 days from signing agreement	5,000	Paid	50,000	Issued	\$ -
April 30, 2022	20,000		100,000		\$ 50,000
April 30, 2023	25,000		100,000		\$ 150,000
April 30, 2024	25,000		100,000		\$ 300,000
April 30, 2025	70,000		150,000		\$ 500,000
TOTAL	\$ 150,000		500,000		

On January 18, 2022, the Company acquired 100% interest in two additional tenures in the Telegraph Property from a vendor for \$4,000.

Current Exploration

On July 19, 2021, the Company announced that the first phase of a field program was carried out on the Telegraph project. Field crews conducted mapping and sampling and also examined the 2014 drill core. Mountain Boy's Telegraph project now has a compiled and digitized data set of historic work and a newly acquired fine resolution satellite orthophoto, both of which help with mapping structural and geochemical trends. The Company is collaborating with the Geological Survey of Canada, the British Columbia Geological Survey and the Mineral Deposit Research Unit at the University of British Columbia in an upcoming research program which would be helpful for the next stage of exploration on the Telegraph project.



On December 13, 2021, the Company announced the results from its 2021 field program on the Telegraph Project.

A significant new discovery, approximately three kilometres southeast of the DOK Main Zone, produced 19 surface samples that assayed 0.5% copper and greater. This new zone is traceable over 400 metres and assayed up to 17.9% copper (sample E075465). The zone straddles what historically would have been two separate claim blocks owned by different companies. It is also on the margin of the known Red Creek copper-gold soil geochemistry anomaly.

A second new zone was discovered a further one kilometre from the abovementioned zone, along the same south-easterly trend. This zone also yielded several samples over 1% copper.

On the eastern portion of the property, a third new zone of elevated copper values was discovered. This zone, called Yeti West, also produced a number of samples that assayed greater than 1% copper, with the highest assaying 3.6% copper (sample C0034000). This zone trends over 700 metres.

Several samples also produced elevated values of molybdenum (up to 980 ppm), lead and zinc (sample C0033532 assayed 24.6% lead and 25.7% zinc).

In addition to mapping and prospecting, 2014 drill core samples and surface samples were selected for short wave near infrared ("SWIR") analysis. The SWIR analysis was performed by Dr. Farhad Bouzari from the Mineral Deposits Research Unit, at the University of British Columbia ("MDRU"). The purpose of this analysis is to identify alteration minerals and characterize the style of mineralization. Initial results from the SWIR analysis confirm the presence of porphyry-style alteration minerals and suggest that multiple hydrothermal pulses have altered and mineralized the host rocks in both the DOK Main and Yeti areas.

The findings from field work further confirm the potential for large copper-gold porphyry systems on the property and outlined new prospective areas for future exploration.

Eighty drill core and forty-three surface samples from the Telegraph project have been included in a Federal Government funded research program known as the Targeted Geoscience Initiative (TGI-6). Dr. Christopher Lawley is a gold metallogenist and geochemist who has been working with the Geological Survey of Canada (GSC) since 2012. Last summer, the Targeted Geoscience Initiative (TGI) program was renewed with a particular focus on critical raw materials. Research will focus on the concentrations of Re, Bi, Te, Se, and PGE in porphyry and epithermal mineral systems in the Golden Triangle. These elements are poorly understood because of their complexity and the superposition of many mineralizing events. Copper is also included in this study as it is defined as a critical metal. This research has practical applications in identifying ore controls and ore guides. This research is being conducted in collaboration with the British Columbia Geological Survey and MDRU at UBC. Preliminary results are anticipated in the new year.

Additional samples collected in the latter part of the 2021 field season are being sent in for SWIR analysis. Results and interpretation of these results will be integrated with the other available data (geochemistry, geophysics, radiometric) to help evolve Mountain Boy's understanding of the mineralizing systems underlying the Telegraph property

3(f) Theia Property

The 9,059-hectare **Theia Project** is located 30 km east-southeast of Stewart, BC and 35 km north of the historic mining towns of Kitsault and Alice Arm; approximately 25 kilometres west of highway 37 and the Northwest high-voltage transmission line; logging roads within 10 km of the eastern boundary of the claims; the proposed Homestake Ridge Road 12 km to the west.

The property has seen several limited exploration programs that were targeting many different areas of interest. Seven documented Minfile occurrences (103P 298; 103P 299; 103P 300; 103P 324; 103P 269; 103P 230; 103P 323) occur on the claims.

On December 22, 2020, the Company announced the acquisition, through staking and purchase of another highly prospective property in the Golden Triangle – the Theia property. The Company paid \$10,000 and 50,000 shares for the Rouge claim, with an NSR of 1.5% retained by the seller. This NSR may be purchased at any time for \$1,500,000. The Razzle/Dazzle group was purchased for \$12,500. All tenures are now held 100% by the Company.

Current Exploration

On June 15, 2021, the Company announced the exploration program on the project to define drill targets in multiple areas on the property. The exploration program would include reinterpretation of previous geophysics, detailed mapping and sampling, as well as channel sampling.

On October 19, 2021, the Company released the results from the fieldwork. These latest results extend previously known mineralized areas, some of which were discovered 30 years ago but passed over until Mountain Boy consolidated the property in 2020. The results also included some new discoveries, further confirming the highly prospective nature of this extensive and well-located project.

A separate gold-bearing structure was mapped and sampled over an additional 200 metres and yielded three samples that returned 0.58, 0.33, and 0.14 g/t gold, respectively, outlining the potential for a sizable gold-bearing system. A new discovery was made on a nunatak (a rock exposure surrounded by glacier), also on the western part of the property, where several samples yielded multiple percent zinc values and anomalous silver. The mineralization is hosted within the Lower Hazelton volcanic rocks and characterized locally as breccia matrix or replacement style. Grab samples include:

- 3.24% lead and 27.47 g/t silver;
- 3.03% zinc, 52.72 g/t silver, and 0.1% lead;
- 1.63% zinc, 12.51 g/t silver, and 0.21% lead.

On the eastern portion of the claims, the field crew investigated the molybdenum-copper porphyry showing that first attracted explorers to the area. Work by one of the majors in the 1960s identified the porphyry system, but little was done since then. Several samples were taken this year, including samples C0034086, C0034085, and C0034081 which assayed 0.24%, 0.20%, and 0.14% molybdenum respectively. These and other samples demonstrate molybdenum mineralization over a 400-metre trend. Recent work in conjunction with the earlier work suggests the potential for a sizable porphyry system.

Also in this area, the geological team confirmed gold values first identified in 1991. The gold occurs in the vicinity of the contact between an intrusive unit and the volcano - sedimentary host rocks, a favourable setting in the region. Float sample C0034101 yielded 2.59 grams per tonne gold and grab sample C0034102 yielded 0.83 grams per tonne gold, both taken this year. Further work is planned to evaluate the extent of this gold-bearing system.

3(g) Manuel Creek Property

The **Manuel Creek Property** consists of 42 mineral tenures (2,625 acres) overlaying the Manuel Creek zeolites zones. The Manuel Creek zeolite property is located in the headwater area of Manuel Creek between 1160 and 1360 metres elevation, centred 7 kilometres northeast of Keremeos. Access to the property is 10 kilometres south of the Twin Lakes turnoff from Highway 3A via the Twin Lakes and Grand Oro roads. A power transmission line runs through the property.

On December 9, 2016, the Company acquired a 100% interest in the Manuel Creek zeolite property located northeast of Keremeos, British Columbia for \$15,000.

In April 2018, the Company acquired two claims covering the Manuel Creek zeolite property for \$3,500.

On March 5, 2020, the Company signed an agreement to sell its interest in the Manuel Creek property for \$30,000. As of November 30, 2020, the Company received \$15,000 from this purchaser and has transferred the title to the purchaser while retaining a 3% net smelter royalty ("NSR"). The purchaser may purchase 2% NSR with each 1% of the NSR for an additional \$100,000. The remaining \$15,000 payment from the purchaser is due on or before March 5, 2022.

3(h) West George Copper Property

The **West George Copper Property** consists of 288 hectares adjacent to the Company's 100% owned George Copper property. The project has a silica cap over highly sericite altered andesitic rocks containing sulphide-bearing quartz stockworks. High copper values with two to three grams per tonne gold have been obtained on the talus slopes below the silica cap.



On August 30, 2017, the Company entered into an option agreement with AUX Resource Corporation (“AUX”) whereby the Company can earn a 60% interest in West George Copper property as follows:

- On signing, AUX received \$700,000 in portable assessment credits;
- \$10,000 cash (paid) and \$30,000 of work expenditures before the second anniversary (amended and extended to August 30, 2020 - met);
- \$20,000 cash (paid) and \$50,000 (met) of work expenditures before the third anniversary;

The Company has earned a 60% interest in the George Copper West property, with AUX holding a 40% interest, carried through exploration, and a 2% royalty which is subject to buy-down provisions of 1% for \$1,000,000.



The Company's exploration expenses for the year ended and as at November 30, 2021 are:

	Barbara and Surprise Creek	Red Cliff	American Creek West	Southmore	Telegraph	Other Properties	Total
Property acquisition costs							
Balance November 30, 2020	\$ 2,129,995	\$ 201,974	\$ 1,034,242	\$ 35,876	\$ -	\$ 59,619	\$ 3,461,706
Property payments	-	-	145,740	-	52,000	43,000	240,740
Balance November 30, 2021	2,129,995	201,974	1,179,982	35,876	52,000	102,619	3,702,446
Deferred exploration costs							
Balance November 30, 2020	4,569,116	5,277,906	3,357,097	47,583	-	443,616	13,695,318
Assays	-	8,026	132,566	-	-	-	140,592
Camp costs	109,807	1,293	115,354	323	25,935	12,220	264,932
Claim Fees and licenses	197	98	1,115	-	98	709	2,217
Community engagement	-	-	-	-	40,000	-	40,000
Drilling	-	-	384,286	-	-	-	384,286
Equipment rental	11,853	198	27,145	49	9,686	2,148	51,079
General and administration	548	175	1,940	-	1,034	155	3,852
Geological	98,795	12,403	218,439	17,125	108,874	52,956	508,592
Geophysics	321	-	20,055	-	40	101	20,517
Mineralogy	2,550	-	7,186	-	2,850	-	12,586
Helicopter	104,698	-	266,658	113,491	59,988	14,487	559,322
Labour	13,265	3,953	29,874	-	27,335	689	75,116
Biological	2,430	-	2,430	-	-	-	4,860
Road clearing	-	-	1,667	-	-	-	1,667
Survey	-	-	-	44,133	-	-	44,133
Staking	-	-	-	-	16,408	4,381	20,789
Storage	-	-	3,918	-	-	-	3,918
Supplies and miscellaneous	8,043	8,955	18,508	37	6,385	388	42,316
	352,507	35,101	1,231,141	175,158	298,633	88,234	2,180,774
Balance November 30, 2021	4,921,623	5,313,007	4,588,238	222,741	298,633	531,850	15,876,092
Less:							
Mining tax credit BC METC	-	(303,694)	-	-	-	-	(303,694)
Total	\$ 7,051,618	\$ 5,211,287	\$ 5,768,220	\$ 258,617	\$ 350,633	\$ 634,469	\$ 19,274,844

4. Risks and Uncertainties

The Company is engaged in the exploration for mineral deposits. These activities involve significant risks which even with careful evaluation, experience and knowledge may not, in some cases, be eliminated. The Company's success depends on a number of factors, many of which are beyond its control. The primary risk factors affecting the Company include inherent risks in the mineral exploration and mining industries and metal price fluctuations.

General Risk Associated with the Mining Industry

Mineral exploration is an inherently risky business with no guarantees that the exploration will result in the discovery of an economically viable deposit. Among the risks faced are title risk, financing risk, permitting risk, commodity price risk and environmental regulation risk.

Mining activities involve risks which careful evaluation, experience and knowledge may not eliminate. The commercial viability of any mineral deposit depends on many factors not all of which are within the control of management. Management attempts to mitigate its exploration risk through a strategy of joint ventures with other companies which balances risk while at the same time allows properties to be advanced.

Inherent risks within the mining industry

The commercial viability of any mineral deposit depends on many factors, not all of which are within the control of management. Some of the factors that will affect the financial viability of a given mineral deposit include its size, grade and proximity to infrastructure. Government regulation, taxes, royalties, land tenure and use, environmental protection and reclamation and closure obligations could also have a profound impact on the economic viability of a mineral deposit.

Mining activities also involve risks such as unexpected or unusual geological operating conditions, floods, fires, earthquakes, other natural or environmental occurrences and political and social instability. It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks as a result of high premiums or for other reasons. The Company does not currently maintain insurance against political or environmental risks. Should any uninsured liabilities arise, they could result in increased costs, reductions in profitability, and a decline in the value of the Company's securities.

There is no assurance at this time that the Company's current mineral properties will be economically viable for development and production.

Prices for metals

Metals prices are subject to volatile price fluctuations and have a direct impact on the commercial viability of the Company's exploration properties. Price volatility results from a variety of factors, including global consumption and demand for metals, international economic and political trends, fluctuations in the US dollar and other currencies, interest rates, and inflation. The Company has not hedged any of its potential future metal sales. The Company

closely monitors metal prices to determine the appropriate course of action to be taken by the Company.

Dependence on Key Personnel

Loss of management personnel or key operational leaders could have a disruptive effect on the implementation of the Company's business strategy and on the running of day-to-day operations until their replacement is found. Recruiting personnel is expensive and the competition for professionals is intense. The Company may be unable to retain its key employees or attract other qualified employees which may restrict its growth potential.

Impact of COVID-19

In March 2020, the World Health Organization declared a global pandemic known as COVID-19. The impact on global commerce continues to be far reaching. Material uncertainties may come into existence that could influence management's going concern assumption. The duration and impact of the COVID-19 outbreak is unknown at this time and it is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company. The Company continues to closely evaluate the impact of COVID-19 on its operations.

5. Impairment of Long-lived Assets

The Company completed an impairment analysis as at November 30, 2021 and concluded that no impairment charge was required because:

- there have been no significant changes in the legal factors or climate that affects the value of the properties;
- all properties in British Columbia remain in good standing; and
- the Company has flow-through fund to continue its exploration and development plans on the properties.

6. Material Financial and Operations Information

6(a) Selected Annual Financial Information

Selected Annual Information

	Year Ended November 30, 2021	Year Ended November 30, 2020	Year Ended November 30, 2019
Total revenues	\$ -	\$ -	\$ -
Income (loss) for the year	487,961	(541,915)	(1,590,275)
Earnings (loss) per share	0.01	(0.01)	(0.05)
Total assets	20,427,253	21,120,894	15,143,627
Total long-term financial liabilities	2,564,000	3,199,000	3,142,000
Cash dividends declared – per share	N/A	N/A	N/A

6(b) Summary of Quarterly Results

The following is a summary of the Company's financial results for the last eight quarters:

	Three months ended			
	November 30, 2021	August 31, 2021	May 31, 2021	February 28, 2021
Total revenues	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)
Net (loss) income and comprehensive (loss) income	\$ 306,620	\$ 358,507	\$ (165,421)	\$ (11,745)
(Loss) earnings per share	\$ (0.01)	\$ 0.01	\$ (0.00)	\$ (0.00)

	Three months ended			
	November 30, 2020	August 31, 2020	May 31, 2020	February 28, 2020
Total revenues	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)
Net loss and comprehensive loss	\$ (102,201)	\$ (425,881)	\$ (12,847)	\$ (986)
Loss per share	\$ (0.01)	\$ (0.01)	\$ (0.00)	\$ (0.00)

6(c) Review of Operations and Financial Results

For three months ended November 30, 2021 and three months ended November 30, 2020

During the three months ended November 30, 2021, the Company reported net income of \$306,620 (\$0.01 earnings per share) (2020 – \$102,201 (\$0.00 loss per share)).

Excluding the non-cash share-based payment of \$124,988 (2020 – \$nil), the Company's general and administrative expenses amounted to \$174,373 during the three months ended November 30, 2021 (2020 – \$233,383), a decrease of \$59,010 mainly due to decreases in (a) consulting fees (from 2020's \$50,000 to 2021's \$16,000); (b) shareholder communications (from 2020's \$97,979 to 2021's \$22,150) and (c) transfer agent fees (from 2020's \$6,734 to 2021's \$1,770); while being offset by increases in (d) accounting and audit fees (from 2020's \$25,375 to 2021's \$78,100); (e) management fees (from 2020's \$29,600 to 2021's \$31,800) and (f) office and miscellaneous (from 2020's \$5,623 to 2021's \$8,921). The Company has been actively promoting its investor awareness as well as supporting the Company's exploration programs.

The other major items for the three months ended November 30, 2021, compared with November 30, 2020 were:

- Fair value loss on marketable securities of \$29,153 (2020 – \$6,330);
- Settlement of flow-through premium liability of \$nil (2020 - \$194,530);
- Other income of \$135 (2020 – loss of \$18).

For the year ended November 30, 2021 and year ended November 30, 2020

During the year ended November 30, 2021, the Company reported net income of \$487,961 (\$0.00 earnings per share) (2020 – net loss of \$541,915 (\$0.01 loss per share)).

Excluding the non-cash share-based payment of \$124,988 (2020 – \$543,550), the Company's general and administrative expenses amounted to \$534,637 during the year ended November 30, 2021 (2020 - \$536,473), an decrease of \$1,836 from the year ended November 30, 2020 as a result of the decreases in (a) consulting fees (from 2020's \$92,590 to 2021's \$35,216) and (b) shareholder communications (from 2020's \$139,103 to 2021's \$73,082); while being offset by increases in (c) accounting and audit fees (from 2020's \$111,158 to 2021's \$154,100); (d) filing fees (from 2020's \$8,218 to 2021's \$15,425) and (e) investor relations fees (from 2020's \$51,044 to 2021's \$77,101) and (f) management fees (from 2020's \$96,950 to 2021's \$108,900). The Company has been actively promoting its investor awareness and supporting the Company's exploration programs.

The other major items for the year ended November 30, 2021, compared with November 30, 2020 were:

- Settlement of flow-through premium liability of \$399,120 (2020 - \$194,530);
- Fair value gain on marketable securities of \$65,800 (2020 – \$483,746);
- Realized gain on marketable securities of \$32,584 (2020 – loss of \$83,536);
- Other income of \$15,082 (2020 - \$368).

6(d) Liquidity and Capital Resources

As at November 30, 2021, the Company's working capital was \$822,562 (November 30, 2020 – \$3,194,186). With respect to working capital, \$191,573 was held in cash and cash equivalents (November 30, 2020 – \$3,288,321). The decrease in cash and cash equivalents was mainly due to the \$553,918 used in operations, \$2,612,609 used in the exploration and evaluation assets,



and \$10,353 used in increasing its reclamation bonds, while being offset by the proceeds from sale of marketable securities of \$77,584 and cash received from the net proceeds from issuance of common shares of \$2,548.

During the year ended November 30, 2021, the Company issued:

- 50,000 common shares with a fair value of \$20,500 for the Rouge claim pursuant to the Theia property acquisition on December 23, 2020.
- 150,000 common shares with a fair value of \$27,750 to the optionors for the Dorothy property on February 26, 2021.
- 50,000 common shares with a fair value of \$10,500 to the optionor for the DOK property on June 14, 2021.
- 100,000 common shares with a fair value of \$19,500 to the optionor for the DOKX-Yeti property on June 22, 2021.
- a total of 12,600 common shares for proceeds of \$3,150 pursuant to the exercise of finder's warrants.

On December 31, 2021, the Company completed a non-brokered private placement by issuing 7,587,057 flow-through units ("FT Unit") at a price of \$0.17 per FT Unit for gross proceeds of \$1,289,800. Each FT Unit consists of one common share and one-half of one warrant for the total of 3,793,530 warrants issued. Each full warrant is exercisable at \$0.26 for two years expiring on December 30, 2023. The Company also completed a non-brokered private placement by 882,353 units ("Units") at a price of \$0.17 per Unit for the gross proceeds of \$150,000. Each Unit consists of one common share and one-half of one share purchase warrant for the total of 441,177 warrants. Each full warrant is exercisable at \$0.20 for a period of two years expiring on December 30, 2023. In connection with the financing, the Company paid \$50,933 as a cash finder's fee and issued 303,104 finder's warrants exercisable at \$0.17 for two years expiring on December 30, 2023.

The Company has \$166,307 as reclamation bonds.

As of the date of this MD&A, the Company has no outstanding commitments. The Company has not pledged any of its assets as security for loans.

The Company is aware of the current conditions in the financial markets and has planned accordingly. The Company's current treasury and the future cash flows from warrants and options, along with the planned developments within the Company as well as with its JV partners will allow its efforts to continue throughout 2022. If the market conditions prevail or improve, the Company will make adjustment to budgets accordingly.

6(e) Disclosure of Outstanding Share Data

The authorized share capital of the Company consists of an unlimited number of common shares without par value. As at November 30, 2021, the Company's share capital was \$29,706,470 (November 30, 2020 - \$29,624,498) representing 54,142,151 common shares (November 30, 2020 – 53,779,551 common shares).

Stock option transactions and the number of stock options are summarized as follows:

Expiry date	Exercise price (\$)	November 30, 2020	Issued	Exercised	Expired / forfeited	November 30, 2021
September 7, 2021	0.25	400,000	-	-	(400,000)	-
July 10, 2023	0.40	2,160,000	-	-	-	2,160,000
July 10, 2024	0.21	400,000	-	-	-	400,000
March 17, 2025	0.25	250,000	-	-	-	250,000
August 5, 2025	0.455	1,175,000	-	-	-	1,175,000
September 14, 2026	0.21	-	550,000	-	-	550,000
October 12, 2026	0.21	-	450,000	-	-	450,000
Options outstanding		4,385,000	1,000,000	-	(400,000)	4,985,000
Options exercisable		4,385,000	587,500	-	-	4,572,500
Weighted average exercise price (\$)		\$ 0.38	\$ 0.21	\$ -	\$ 0.25	\$ 0.35

During the year ended November 30, 2021, the Company granted a total of 1,000,000 stock options of which 1,000,000 stock options were exercisable at \$0.21 per share.

The continuity of warrants for the year ended November 30, 2021 is as follows:

Expiry date	Exercise price (\$)	November 30, 2020	Issued	Exercised	Expired	November 30, 2021
July 7, 2022	0.40	4,000,000	-	-	-	4,000,000
November 16, 2023	0.60	1,575,000	-	-	-	1,575,000
Warrants outstanding		5,575,000	-	-	-	5,575,000
Weighted average exercise price (\$)		\$ 0.46	\$ -	\$ -	\$ -	\$ 0.46

The continuity of finders' warrants for the year ended November 30, 2021 is as follows:

Expiry date	Exercise price (\$)	November 30, 2020	Issued	Exercised	Expired	November 30, 2021
December 19, 2020	0.25	9,000	-	(9,000)	-	-
July 7, 2021	0.25	72,780	-	(3,600)	(69,180)	-
Warrants outstanding		81,780	-	(12,600)	(69,180)	-
Weighted average exercise price (\$)		\$ 0.25	\$ -	\$ 0.25	\$ 0.25	\$ -

If the remaining options, warrants, finder's options, including the warrants associated with the finder's options, were exercised, the Company's available cash would increase by \$5,426,206.

As of the date of this MD&A, there were 63,011,561 common shares issued and outstanding and 78,109,372 common shares outstanding on a diluted basis.

6(f) Commitment and Contingency

None.

6(g) Off-Balance Sheet Arrangements

None.

6(h) Transactions with Related Parties

The aggregate value of transactions and outstanding balances relating to key management personnel and entities over which they have control or significant influence were as follows:

For the year ended November 30, 2021

	Short-term employee benefits	Post- employment benefits	Other long- term benefits	Termination benefits	Other expenses	Share-based payments ⁽¹⁾	Total
Lawrence Roulston Chief Executive Officer, Director	\$145,000	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$145,000
Rene Bernard Director	\$60,000	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$60,000
Dorian Nicol Director	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$63,000	\$63,000
Total:	\$205,000	\$Nil	\$Nil	\$Nil	\$Nil	\$63,000	\$268,000

For the year ended November 30, 2020

	Short-term employee benefits	Post- employment benefits	Other long- term benefits	Termination benefits	Other expenses	Share-based payments ⁽¹⁾	Total
Lawrence Roulston Chief Executive Officer, Director	\$120,000	\$Nil	\$Nil	\$Nil	\$Nil	\$42,500	\$162,500
Rene Bernard Director	\$40,950	\$Nil	\$Nil	\$Nil	\$Nil	\$42,500	\$83,450
Winnie Wong Chief Financial Officer	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$42,500	\$42,500
Lucia Theny VP Exploration	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$42,500	\$42,500
Mark T. Brown Director	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$42,500	\$42,500
Nancy Curry VP Corp. Development	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$21,250	\$21,250
Ron Cannan Director	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$42,500	\$42,500
Ben Whiting Director	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$150,425	\$150,425
Total:	\$160,950	\$Nil	\$Nil	\$Nil	\$Nil	\$426,675	\$587,625

(1) Share-based payments are the fair values of the stock options granted during the years ended November 30, 2021 and 2020 calculated using the Black-Scholes Option Pricing Model.

Related party assets / liabilities

Amounts in accounts payable:	Services for:	Years ended		As at	As at
		November 30 2021	November 30 2020	November 30 2021	November 30 2020
Lawrence Roulston	Management fee	\$ 145,000	\$ 120,000	\$ -	\$ -
Rene Bernard	Consulting fee	60,000	40,950	-	-
A private company controlled by a director of the Company ^(a)	Accounting and management services	96,600	110,846	5,880	8,006
A private company controlled by an officer of the Company ^(b)	Marketing services	46,000	46,000	-	-
A public company with a director in common with the Company ^(c)	Property payment	-	39,472	-	4,172
A private company controlled by an officer of the Company ^(d)	Geological services	488,414	428,765	-	-
Total		\$ 836,014	\$ 786,033	\$ 5,880	\$ 12,178

- (a) Mark T. Brown, a director of the Company, is the president of this private company.
- (b) Nancy Curry, the Vice President Corporate Development, is the owner of this private company. Ms. Curry resigned on September 16, 2021.
- (c) Lawrence Roulston, the Chief Executive Officer and director of the Company, was a director of this public company until December 30, 2020.
- (d) Lucia Theny, the Vice President Exploration effective April 23, 2019, is a co-owner of this private company where it employs several geologists to provide geological services to the Company.

6(i) Financial Instruments

The fair values of the Company's financial assets and liabilities approximate their carrying amounts because of their current nature.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The Company's financial instruments consist of cash and cash equivalents, marketable securities, reclamation bonds, trade and other payables and due to joint venture partner. Cash and cash equivalents and marketable securities are measured at fair value through profit and loss. Reclamation bonds are measured at amortized cost. Trade and other payables and due to joint venture partner are measured at amortized cost.

The fair value of the Company's cash and cash equivalents and marketable securities is measured using level one of the fair value hierarchy.

The Company's financial instruments are exposed to certain financial risks. The risk exposures and the impact on the Company's financial instruments are summarized below.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash is exposed to credit risk. The Company reduces its credit risk on cash by placing these instruments with institutions of high credit worthiness.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's cash and cash equivalents are exposed to interest rate risk.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company's trade and other payables are all current and due within 90 days of the balance sheet date. At November 30, 2021, the Company had a working capital surplus of \$822,562 which will provide sufficient capital to meet its short-term financial obligations.

Market Risk

Market risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will significantly fluctuate due to changes in market prices. The sale of financial instruments can be affected by changes in interest rates, foreign exchange rates, and equity prices. The Company is exposed to market risk in trading its investments, and unfavourable markets conditions could result in dispositions of investments at less than favourable prices. The Company's investments are accounted for at estimated fair values and are sensitive to changes in markets prices, such that changes in market prices results in a proportionate change in the carrying value of the Company's investments.

6(j) Management of Capital Risk

The Company manages its cash and cash equivalents, common shares, warrants and share purchase options as capital. The Company's objectives when managing capital are to safeguard its ability to continue as a going concern and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, acquire or dispose of assets or adjust the amount of cash and cash equivalents held.

In order to maximize ongoing operating efforts, the Company does not pay out dividends. The Company's investment policy is to invest its short-term excess cash in highly liquid short-term interest-bearing investments with maturities of 90 days or less from the original date of acquisition, selected with regards to the expected timing of expenditures from continuing operations.

The Company expects its current capital resources will be sufficient to carry out its exploration and operations in the near term.

7. Subsequent Events

On December 30, 2021, the Company completed a non-brokered private placement (see section 6(d)).

On January 18, 2022, the Company acquired a 1.0% NSR in the Red Cliff property (see section 3(c)).

On January 18, 2022, the Company acquired additional tenures in the Telegraph Property (see section 3(e)).

8. Policies and Controls

8(a) Significant Accounting Policies and Estimates

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the period of the change, if the change affects that period only; or in the period of the change and future periods, if the change affects both. Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements are discussed below:

a) Exploration and Evaluation Expenditures

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the profit or loss in the period the new information becomes available.

b) Title to Mineral Properties

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

c) Rehabilitation Provisions

Rehabilitation provisions have been determined to be \$Nil based on the Company's internal estimates. Assumptions, based on the current economic environment, have been made which management believes are a reasonable basis upon which to estimate the future liability. These estimates take into account any material changes to the assumptions that occur when reviewed regularly by management. Estimates are reviewed annually and are based on current regulatory requirements. Significant changes in estimates of contamination, restoration standards and techniques will result in changes to provisions from period to period.

d) Share-Based Payments

The Company uses the Black-Scholes Option Pricing Model for valuation of share-based payments. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

e) Recognition of Deferred Tax Assets and Liabilities

The carrying amounts of deferred tax assets and liabilities are reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable income will be available to allow all or part of the deferred income tax asset to be utilized. Changes in estimates of future taxable income can materially affect the amount of deferred income tax assets and liabilities recognized.

f) Going Concern

Management has applied judgments in the assessment of the Company's ability to continue as a going concern when preparing its financial statements. Management prepares the financial statements on a going concern basis unless management either intends to liquidate the entity or to cease trading, or has no realistic alternative to do so. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period.

8(b) Future Accounting Pronouncements

Presentation of financial statements

An amendment to IAS 1 was issued in January 2020 and applies to annual reporting periods beginning on or after January 1, 2023. The amendment clarifies the criterion for classifying a liability as non-current relating to the right to defer settlement of a liability for at least 12 months after the reporting period. The Company does not expect this amendment to have a significant impact on the Company's financial statements.

8(c) Changes in Internal Controls over Financial Reporting ("ICFR")

Changes in Internal Control Over Financial Reporting ("ICFR")

In connection with National Instrument 52-109, Certification of Disclosure in Issuer's Annual and Interim Filings ("NI 52-109") adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to financial information contained in the unaudited interim financial statements and the audited annual financial statements and respective accompanying Management's Discussion and Analysis. The Venture Issue Basic Certification does not include representations relating to the establishment and maintenance of

disclosure controls and procedures and internal control over financial reporting, as defined in NI52-109.

Disclosure Controls and Procedures

The Company's CEO and CFO are responsible for establishing and maintaining the Company's disclosure controls and procedures. Management, including the CEO and CFO, have evaluated the procedures of the Company and have concluded that they provide reasonable assurance that material information is gathered and reported to senior management in a manner appropriate to ensure that material information required to be disclosed in reports filed or submitted by the Company is recorded, processed, summarized and reported within the appropriate time periods.

While management believes that the Company's disclosure controls and procedures provide reasonable assurance, they do not expect that the controls and procedures can prevent all errors, mistakes, or fraud. A control system, no matter how well conceived or operated, can only provide reasonable, not absolute, assurance that the objectives of the control system are met.

9. Information on the Board of Directors and Management

Directors:

Mark T. Brown
Lawrence Roulston
Rene Bernard
Ron Cannan
Ben Whiting
Dorian L. Nicol

Audit Committee members:

Rene Bernard, Ron Cannan, Mark T. Brown

Management:

Lawrence Roulston – Chief Executive Officer, President
Winnie Wong – Chief Financial Officer and Corporate Secretary
Lucia They – VP - Exploration