



RED PINE EXPLORATION INC.
145 Wellington Street West, Suite 1001
Toronto, ON, M5J 1H8

**Management's Discussion and Analysis
For the Period Ended January 31, 2021
(Expressed in Canadian Dollars)**

INTRODUCTION

This Management's Discussion and Analysis ("MD&A") of Red Pine Exploration Inc. (the "Company", "Red Pine", "we" or "our") is intended to enable readers to view the Company's performance, financial condition and future prospects through management's eyes and to provide material information to readers that may not be fully reflected in the financial statements.

This MD&A is intended to supplement and should be read in conjunction with the Condensed Interim Consolidated Financial Statements for the period ended January 31, 2021 and the Audited Consolidated Financial Statements and the notes thereto for the year ended July 31, 2020. All financial information in this MD&A has been prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts presented in this MD&A are in Canadian dollars unless otherwise indicated.

Additional information relating to our company is available on SEDAR at www.sedar.com and on the company website at www.redpineexp.com.

This MD&A is dated, and the information contained herein is presented as at March 30, 2021.

CAUTIONARY STATEMENT ON FORWARD LOOKING STATEMENTS

This MD&A contains forward-looking information and statements (collectively, "forward-looking statements") within the meaning of applicable Canadian securities legislation, concerning the business, operations and financial performance and condition of Red Pine Exploration Inc. Forward-looking statements include, but are not limited to, statements with respect to the estimation of commodity prices, mineral reserves and resources, the realization of mineral reserve estimates, capital and exploration expenditures, costs and timing of the exploration and development of mineral deposits, the success of exploration activities, permitting time lines, currency exchange rate fluctuations, requirements for additional capital, government regulation of mining activities, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative connotations thereof. All such forward-looking statements are based on the opinions and estimates of the relevant management as of the date such statements are made and are subject to important risk factors and uncertainties, many of which are beyond the Company's ability to control or predict.

Forward-looking statements are necessarily based on estimates and assumptions that are inherently subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements, including but not limited to: risks and uncertainties relating to, among other things, changes in commodity prices, currency fluctuation, financing, unanticipated reserve and resource grades, infrastructure, results of exploration activities, cost overruns, availability of materials and equipment, timeliness of government approvals, taxation, political risk and related economic risk and unanticipated environmental impact on operations as well as other risks and uncertainties described under **Risks and Uncertainties** section of this MD&A for additional disclosures.

Although the Company has attempted to identify important factors that would cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated, or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. All of the forward-looking statements contained on this MD&A are qualified by these cautionary statements. Readers should not place undue reliance on forward-looking statements. Forward-looking statements are provided for the purpose of providing information about management's current expectations and plans and allowing investors and other to get a better understanding of the Company's operating environment. The Company expressly disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, events or otherwise, except in accordance with applicable securities laws.

QUALIFIED PERSON

Quentin Yarie, P.Geo, the Company's President and Chief Executive Officer is the Qualified Person, as defined by NI 43-101, who has reviewed and approved the technical information disclosed in this MD&A.

CORE BUSINESS AND OBJECTIVES

Red Pine is a publicly listed corporation (TSXV: RPX) incorporated under the laws of Ontario and has a fiscal year-end of July 31. Our principal business is the acquisition, exploration, and development of mineral properties with a particular focus on gold exploration projects located in northern Ontario.

The long-term business objectives of the Company are to:

1. acquire mineral properties it considers prospective to strengthen its portfolio of properties,
2. advance the geological knowledge of its mineral properties through successive exploration programs,
3. Advance the mineral properties value, and
4. if deemed advantageous, dispose of its mineral properties

On March 30, 2021, Red Pine Exploration Inc., completed a consolidation of the Wawa Gold Project through a definitive securities purchase agreement with the holders of the partnership interests in Citabar Limited Partnership. As a result, Red Pine now holds a 100% ownership interest in the Wawa Gold Project located near Wawa, Ontario. Total aggregate consideration for the transaction was \$12.6 million in cash and the set-off of approximately \$1.1 million in amounts owed by Citabar to Red Pine. Please see "Subsequent Events".

As part of the 100% consolidation of the Wawa Gold Project, the Company's previous joint venture partners retain a 2% net smelter return royalty on production from the Wawa Gold Project, of which 1.5% of the 2% NSR is subject to a buyback for a total cost of \$1.75 million.

Our mineral properties are currently in the exploration stage and we do not operate any mines. We have not generated operating revenues or paid dividends since inception and are unlikely to do so in the immediate future. Our continued operations are dependent upon the ability of the Company to obtain financing through the proceeds of securities subscriptions for the continued exploration of its mineral properties. We have not yet determined through a feasibility study whether any of our mineral properties contain mineralization that is economically recoverable.

The value of an exploration property is highly dependent upon the discovery of economically recoverable mineralization, the long-term preservation of the Company's ownership interest in the underlying mineral property, the ability of the Company to obtain the necessary funding to complete sufficient exploration activities on the property, and the prospects of any future profitable production therefrom, or alternatively upon the Company's ability to dispose of its property interests on an advantageous basis.

Risk factors that must be considered in achieving the Company's business objectives include the risk that exploration activities may not result in the discovery of minerals or definition of any mineral resources or reserves, that significant expenses could be required to define mineral reserves, that environmental, land title and competitive issues may prevent the development of any mineral reserves, and that the Company may fail to generate adequate funding to development mineral reserves.

The Company accepts the risks which are inherent to mineral exploration programs and the exposure to the cyclical nature of mineral prices. The Company relies on the geological and industry expertise of its Toronto-based management team and engages sub-contractors to complete certain aspects of its exploration programs.

Our executive offices are situated at 1001-145 Wellington Street West, Toronto, Ontario, M5J 1H8 and our website is www.redpineexp.com (which is expressly not incorporated by reference into this filing).

As of January 31, 2021, the Company had 1 employee in addition to the President & Chief Executive Officer and the Chief Financial Officer. Certain professional, administrative and geological services are provided to the Company by independent contractors, including corporations and/or individuals who may be officers or directors of Red Pine. No assurance can be given that qualified employees can be retained by Red Pine when necessary.

Red Pine Exploration Inc.

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Effective March 15, 2021 the Company completed a one (1) new for every ten (10) old consolidation (10:1) of its Common Shares. There will be no name change in conjunction with the Consolidation. The Corporation will continue to trade under the symbol "RPX" on the TSXVE (the "TSXVE"). The new ISIN number for the Consolidated Shares is CA75686Y7028 and the new CUSIP number is 75686Y702. There were 477,222,387 Common Shares outstanding; after giving effect to the Consolidation there will be approximately 47,722,239 Common Shares outstanding.

See the *Risks and Uncertainties* section of this MD&A for additional risk disclosures

EXPLORATION PROPERTIES - DESCRIPTION

Wawa Gold Project

As at January 31, 2020, the Wawa Gold property consisted of 34 unpatented and mining claims and 164 patented and leased mining claims totaling 5,582 contiguous hectares and hosts several past producing mines. The project area is located approximately 2 kilometres east of the Town of Wawa in northern Ontario.

On March 30, 2021, Red Pine Exploration Inc., completed a consolidation of the Wawa Gold Project through a definitive securities purchase agreement with the holders of the partnership interests in Citabar Limited Partnership. As a result, Red Pine now holds a 100% ownership interest in the Wawa Gold Project located near Wawa, Ontario.

As part of the 100% consolidation of the Wawa Gold Project, the Company's previous joint venture partners retain a 2% net smelter return royalty on production from the Wawa Gold Project, of which 1.5% of the 2% NSR is subject to a buyback for a total cost of \$1.75 million.

Cayenne Property

The Cayenne property consisted of 4 cell claims (70.1 ha) and 1 lease (62.67 ha) in Genoa Township located approximately 110 kilometers southwest of Timmins, Ontario. The Company owns 100% of the property.

Algoma-Talisman Property

The Company has a 100% interest in an MRO patented land package covering approximately 65 square kilometers of fee simple patented mineral rights in Coppell and Newton Townships of the Porcupine Mining Division of Northern Ontario located approximately 110 km southwest of Timmins, Ontario.

Mortimer Property

The Company has a 100% interest in a block of 22 cell claims covering approximately 284.77 ha in the Dore Township approximately 110 km southwest of Timmins, Ontario. The previous owners retain NSRs ranging between 0.2% and 2% on certain claims and the Company has the option to purchase a portion of these NSRs for various cash payments as specified in the original purchase agreements.

Fern Elizabeth Property

The Company has a 100% interest in 55 cell claims covering 1,075 hectares located approximately 10 km northwest of Atikokan, Ontario.

Rand Garrison

The Company has a 100% interest in 22 cell claims covering 277 hectares located approximately 46 kilometers west of Matheson and 50 kilometers north of Kirkland Lake

Net Smelter Royalties

The Company retains a 1.5% Net Smelter Return ("NSR") on approximately 75 square kilometers of claims 20 km east of Goldcorp's Borden Gold project near Chapleau, Ontario. The underlying property package was sold to Probe Mines Ltd. in November 2012.

EXPLORATION AND EVALUATION ACTIVITIES

During the period ended January 31, 2020, the Company's exploration activities have focused on the Wawa Gold Project. The Company's exploration activities have been nominal and primarily included maintaining the property in good standing. Since signing of the definitive agreement to purchase the minority interest of the Wawa gold project on February 23, 2021, the Company has been focused on planning and mobilization activities to initiate an exploration program including a drill program anticipated to start on or around April 1, 2021.

The 2020 drilling program was designed to: 1) expand gold mineralization in the down-dip and down-plunge extensions of the Surluga Deposit in the Jubilee Shear Zone beyond the footprint of the current resource, 2) expand gold mineralization in the Hornblende Shear Zone, adjoining and parallel to Surluga and 3) test the Jubilee Shear Zone extension south of the Parkhill Fault.

The results from the summer program were announced on October 15, 2020. The 2020 drilling program has extended the Surluga Deposit by approximately 300 metres down-dip to a total depth of approximately 600 metres and discovered what could be a new higher-grade zone in the shear structure. The plan going forward is that with additional drilling, the mineralized zones identified beneath the Surluga Deposit could potentially increase the current mineral resource. The visual indicators and the higher-grade gold assays (> 3 g/t) intersected in SD-20-293 suggest that the intensity of alteration and quartz veining associated with gold mineralization increases with depth. This defines a new promising exploration target for Red Pine as the Company continues to expand the Surluga Deposit."

The exploration strategy is to increase and quantify the gold resource on the property. This is being done through continued exploration and delineation intended to increase the Company's understanding of the gold bearing mineralization. Over the past 12 months, Red Pine drilled 5,300 meters and 73,895 meters of drilling being completed on the project as of July 31, 2020 and finalized the sampling of 42,000 metres of historic core that was never sampled by previous operators of the project (initiated in February 2016). Mechanized stripping and channel sampling were completed on the Cooper Shear System, Grace Deformation Zone and the southern extension of the Jubilee Shear Zone. Drilling is now completed for the year.

Golder Associates completed a resource estimate, effective May 31, 2019 for the Wawa Gold Project. The Mineral Resource estimate for the Wawa Gold Project was evaluated for an underground mining scenario and is reported at a 2.7 g/t cut-off within a 2 g/t envelope, and now stands at 1,307,000 tonnes at 5.47 g/t for 230,000 ounces gold in the Indicated category and 2,716,000 tonnes at 5.39 g/t for 471,000 ounces gold in the Inferred category.

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EXPLORATION AND EVALUATION EXPENDITURES

The Company has ownership interests in the several exploration projects. The Wawa Gold Project is the primary focus of exploration.

The following table summarizes the cumulative exploration and evaluation expenditures the Company has incurred on its mineral properties. The Wawa Gold property expenditures includes all amounts incurred by the joint-venture prior to any prorated recovery from the joint-venture partners.

	Wawa Gold Property	Cayenne Property	Other Properties	Total Properties
	\$	\$	\$	\$
Balance July 31, 2019	40,400,986	6,137,686	8,482,174	55,020,846
Property Acquisition Costs	-	-	-	-
Exploration Expenditures	1,558,466	-	-	1,558,466
Balance – January 31, 2020	41,959,452	6,137,686	8,482,174	56,579,312
Property Acquisition Costs	223,947	-	-	223,947
Exploration Expenditures	1,280,387	-	-	1,280,387
Balance – July 31, 2020	43,463,786	6,137,686	8,482,174	58,083,646
Property Acquisition Costs	-	-	-	-
Exploration Expenditures	566,054	-	-	566,054
Balance – January 31, 2021	44,029,840	6,137,686	8,482,174	58,649,700

During the six-month period ended January 31, 2021:

- a) The Company incurred total acquisition, exploration and evaluation expenditures of \$566,054 on the Wawa Gold property for the six-month period ended January 31, 2021 (2020: \$1,558,466).
- b) During the period ended January 31, 2021, the Company's joint venture partner on the Wawa Gold Project, Citibar L.P. ("Citibar") did not participate in its share of contributions and did not participate up to the point of the Company having a 100% interest in the project effective March 30, 2021.

FUTURE OUTLOOK AND PLAN

The Wawa Gold Project exploration program is designed to both expand and increase confidence in the existing inferred and indicated gold resources. The drilling, trenching and mapping programs are expected to continue to yield significant advancements in the status of the identified resources. The Company is focused on efficient, rapid exploitation and plans to increase the size of the deposits. Results and plans for the Wawa Gold Project are discussed in further detail in the section titled Exploration and Evaluation Activities.

With the acquisition of the remaining interest held by Citabar, Red Pine can now fully benefit from the results of our ongoing exploration and delineation of both the Surluga and Minto deposits as well as other prospective gold targets.

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RESULTS OF OPERATIONS

The following are explanations of the material changes for the period ended January 31, 2020 compared to year ended January 31, 2021:

	Three-month period ended		Three-month period ended	
	January 31, 2021		January 31, 2020	
Expenses				
Exploration Expenditures	\$	181,221	\$	546,292
General and Administrative		54,096		13,383
Payroll & Professional Fees		147,144		301,471
Depreciation and Amortization		24,029		39,300
Interest Income		(442)		(106)
Lease accretion (gain)		5,300		-
Change in flow-through provision		(27,190)		-
Foreign Exchange Loss (Gain)		-		-
Total Expense		384,159		900,340
Loss and Comprehensive Loss for Period	\$	(384,159)	\$	(900,340)
Loss per share - basic and diluted	\$	(0.01)	\$	(0.02)
Weighted average shares outstanding		47,722,239		40,561,895

RESULTS OF OPERATIONS

Results for the period ended January 31, 2021

- Exploration expenditures decreased to \$181,221 (2020: \$546,292) as expenditures were primarily attributable to maintaining the property in good standing while negotiating the buyout of Citibar's interest.
- There was no share based compensation in the respective 2021 or 2020 periods.

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QUARTERLY RESULTS OF OPERATIONS

The following is selected quarterly information for the eight most recently completed quarters:

	Quarter Ended			
	January 31, 2021	October 31, 2020	July 31, 2020	April 30, 2020
	\$	\$	\$	\$
Exploration expenditures net of recoveries	181,221	384,833	771,587	732,747
Loss and Comprehensive loss for the quarter	(384,159)	(505,145)	(992,868)	(850,207)
Basic and diluted loss per share	(0.01)	(0.00)	(0.00)	(0.00)
Working Capital Surplus (Deficit)	(287,723)	82,181	604,550	1,555,949

	Quarter Ended			
	January 31, 2020	October 31, 2019	July 31, 2019	April 30, 2019
	\$	\$	\$	\$
Exploration expenditures net of recoveries	546,292	1,012,174	642,777	681,146
Loss and Comprehensive loss for the quarter	(900,340)	(1,202,365)	(1,693,765)	(918,052)
Basic and diluted loss per share	(0.00)	(0.00)	(0.00)	(0.00)
Working Capital Surplus (Deficit)	(2,513,226)	(82,450)	2,056,740	2,424,129

Results for the three-months ended January 31, 2021

- Exploration expenditures were \$181,221 (2020: \$546,292) as there was no active exploration activities on the ground. The program was essentially suspended until suitable financing could be achieved.
- There was no recovery of exploration expenditures by the Company's joint venture partner, Citibar during the period
- Loss and Comprehensive Loss decreased to \$384,159 (2020: 900,340) primarily as a result of a reduced exploration program on the Wawa gold project.

OFF BALANCE SHEET TRANSACTIONS

The Company does not have off-balance sheet arrangements including any arrangements that would affect the liquidity, capital resources, market risk support and credit risk support or other benefits.

DIVIDENDS

The Company has neither declared nor paid any dividends on its Common Shares. The Company intends to retain its earnings, if any, to finance growth and expand its operations and does not anticipate paying any dividends on its common shares in the foreseeable future.

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RIGHT OF USE ASSET AND LEASE LIABILITY

The following table sets out the changes to the carrying value of right of use asset and lease liability:

	Six-month period ended January 31, 2021 \$	Six-month period ended January 31, 2020 \$
Right of use asset		
Balance, opening	328,660	420,206
Amortization	(48,057)	(100,561)
Balance	280,603	319,645
Lease liability		
Balance, opening	300,528	385,964
Lease accretion	10,600	-
Lease payments	(55,209)	-
Balance, closing	255,920	385,964
Current portion	80,820	92,342
Long term portion	175,100	293,622

On December 12, 2016, the Company signed an office space lease agreement for office space located at 145 Wellington Street West for seven (7) years from January 1, 2017 to December 31, 2023. The Company has a prepaid rent deposit totaling \$41,579, which is included in the right of use asset and amortized over the term of the lease.

FLOW-THROUGH EXPENDITURE COMMITMENTS

During the year ended July 31, 2015, the Company recorded a contingent provision of \$200,000 to recognize the obligation to flow-through subscribers of the 2011 series, which was calculated using a 35% combined rate applied against the estimated CEE shortfall.

Based on the results of a CRA audit completed in March 2016 of qualified CEEs incurred during the years ended December 31, 2011 and 2012, it was determined there was a shortfall of \$227,592 and \$526,743 for the 2011 and 2012 F/T series, respectively. As a result, the total provisions for the obligations to flow-through subscribers were increased by \$64,000 during the year ended July 31, 2016.

The following table sets out the changes to the provision for the obligation to flow-through subscribers:

Financing Series	2010 F/T Series with CEE Commitments to the Calendar Year Ending December 31, 2011 \$	2011 F/T Series with CEE Commitments to the Calendar Year Ending December 31, 2012 \$	Total Provision
Balance – January 31, 2020 and July 31, 2020	42,429	68,447	110,876
Change in flow-through provision	(20,810)	(33,570)	(54,380)
Balance – January 31, 2021	21,619	34,877	56,496

During the six-month period ended January 31, 2021, \$nil settlements occurred

RELATED PARTY EXPENDITURES AND BALANCE

Related parties as defined by IAS 24 *Related Party Disclosures* include the members of the Board of Directors, key management personnel and any companies controlled by these individuals. Key management personnel include those persons having authority and responsibility for planning, directing and controlling activities of the Company. Key management personnel for the Company consist of the CEO and CFO.

	Six months ended January 31,	
	2021	2020
	\$	\$
Short term benefits (1)	71,499	133,725
Share based payments (2)	-	-
	<u>71,499</u>	<u>133,725</u>

(1) Includes payroll and professional fees.

(2) Represents the expense of stock options vested during the period

As of January 31, 2021, the following related party balances were outstanding:

Included in accounts payable is an amount of \$64,296 (January 31, 2020, accounts payable: \$174,789) related to exploration, rent and general & administrative charges from companies under common management. The Companies share the services of certain senior officers along with other administrative services including office rental.

Directors and Officers of the Company acquired a total of 554,643 units in the financing that closed December 31, 2019.

SHARE CAPITAL

The Company's share capital and equity instruments outstanding comprised the following:

	January 31, 2021	July 31, 2020
Issued: Fully paid common shares	47,722,239	477,222,387
Issued: Common share purchase warrants	10,202,516	128,897,639
Issued: Stock options	1,070,550	23,662,023

As at the date of this MD&A, the fully paid common shares outstanding of the Company was 95,579,825.

Effective March 15, 2021 the Company completed a one (1) new for every ten (10) old consolidation (10:1) of its Common Shares. There will be no name change in conjunction with the Consolidation. The Company will continue to trade under the symbol "RPX" on the TSXV. There were 477,222,387 Common Shares outstanding; after giving effect to the Consolidation there will be approximately 47,722,239 Common Shares outstanding. The share consolidation has been applied retrospectively within the condensed interim consolidated financial statements.

LIQUIDITY AND CAPITAL MANAGEMENT

As at January 31, 2021, the Company had a working capital deficit of \$287,723 (July 31, 2020: surplus \$604,550) and an accumulated deficit of \$70,127,203 (July 31 2020: \$ 69,237,900). The Company had a net loss from operations for the six-month period ended January 31, 2021 of \$889,303 (January 31, 2020: \$2,102,704).

There were no changes in the Company's approach to capital management during the six-month period ended January 31, 2021.

In managing liquidity, the Company's primary objective is to ensure the entity can continue as a going concern while raising additional funding to meet its obligations as they come due. The Company's operations to date have been funded by issuing equity. The Company expects to improve the working capital position by securing additional financing.

The Company's investment policy is to invest excess cash in very low risk financial instruments such as term deposits or by holding funds in high yield savings accounts with major Canadian banks. Financial instruments are exposed to certain financial risks, which may include currency risk, credit risk, liquidity risk and interest rate risk.

The Company's mineral property interests are all in the exploration stage, as such the Company is dependent on external financing to fund its exploration activities and administrative costs. Management continues to assess the merits of mineral properties on an ongoing basis and may seek to acquire new properties or to increase ownership interests if it believes there is sufficient geologic and economic potential.

Management mitigates the risk and uncertainty associated with raising additional capital in current economic conditions through cost control measures that minimizes discretionary disbursements and reduces exploration expenditures that are deemed of limited strategic value.

The Company manages the capital structure (consisting of shareholders' deficiency) on an ongoing basis and adjusts in response to changes in economic conditions and risks characteristics of its underlying assets. Adjustments to the Company's capital structure may involve the issuance of new shares, assumption of new debt, acquisition or disposition of assets, or adjustments to the amounts held in cash, cash equivalents and short-term investments.

Financial Instrument Risk Factors

The following disclosures are to enable users of the condensed interim consolidated financial statements to evaluate the nature and extent of risks arising from financial instruments at the end of the reporting period:

Credit risk

The Company's credit risk is the risk of counterparty default on cash and cash equivalents held on deposit with financial institutions. The Company manages this risk by ensuring that deposits are only held with large Canadian banks and financial institutions. The amount receivable is primarily HST due from the Canadian government.

Liquidity risk

The Company's liquidity risk is the risk that the Company has insufficient funds to settle its contractual financial liabilities. The Company manages this risk through a budgeting process that ensures sufficient funds are available as contractual cash flows become due.

As at January 31, 2021, the Company had a cash and cash equivalents balance of \$137,335 (July 31, 2020: \$647,920) to settle current liabilities of \$551,929 (July 31, 2020: \$527,781).

While the Company has been successful in obtaining required funding in the past, there is no assurance that future financings will be available.

Financial Instrument Risk Factors (continued)

Market risks

The Company's market risk arises from changes in interest rates and commodity prices that could have an impact on profit and loss. This includes:

- Interest rate risk, is the sensitivity of the fair value or of the future cash flows of a financial instrument to changes in interest rates. The Company does not have any financial assets or liabilities that were subject to variable interest rates.
- Commodity price risks, particularly with respect to gold, is the sensitivity of the fair value of, or of the future cash flows, from mineral assets. The Company manages this risk by continually monitoring base and precious metal prices and commodity price trends to determine the appropriate timing for funding the exploration or development of its mineral assets, or for the acquisition or disposition of mineral assets. The Company does not have any mineral assets at the development or production stage carried at historical cost. The Company has expensed the acquisition and exploration costs of its exploration stage mineral assets.
- Marketable securities risk, is the sensitivity of the fair value of marketable securities to supply and demand for marketable securities. The Company manages this risk by continually monitoring the market pricing and trends of its portfolio of securities to determine the appropriate timing to complete any acquisitions or dispositions. The Company has determined the marketable securities risk at period-end is minimal.
- Currency risk, is the sensitivity of the fair value or of the future cash flows of financial instruments to changes in foreign exchange rates. The Company does not have any financial assets or liabilities that were subject to variable foreign exchange rates and as such the Company is not subject to currency risk.

SUBSEQUENT EVENTS

Effective March 15, 2021 the Company completed a one (1) new for every ten (10) old consolidation (10:1) of its Common Shares. There was no name change in conjunction with the Consolidation. The Company will continue to trade under the symbol "RPX" on the TSXV. There were 477,222,387 Common Shares outstanding; after giving effect to the Consolidation there are approximately 47,722,239 Common Shares outstanding. The share consolidation has been applied retrospectively within the condensed interim consolidated financial statements.

Red Pine appointed Mr. Paul Martin as a Director and nonexecutive Chair of the Company, effectively February 22, 2021.

On February 22, 2021 the Company entered into a definitive securities purchase agreement (the "Agreement") with the holders (the "Vendors") of the partnership interests in Citabar Limited Partnership ("Citabar"), which would result in Red Pine consolidating a 100% ownership in the Wawa Gold Project located near Wawa, Ontario through the acquisition of all of the partnership interests in Citabar (the "Transaction"). The purchase price (the "Purchase Price") for the Transaction was \$12,605,396 was payable in a combination of a minimum of \$8,575,905 in cash, common shares of Red Pine, the set-off of \$1,104,081 in amounts owed by Citabar to Red Pine as well as the grant to the Vendors of a 2% net smelter return royalty ("NSR") valued at \$160,000 on production from the Wawa Gold Project, of which 1.5% of the 2% NSR is subject to a buyback for a total cost of \$1.75 million.

On March 30, 2021, the Company announced that it had completed the Transaction and as a result Red Pine now holds a 100% consolidated ownership interest in the Wawa Gold Project.

To finance the Transaction, the Company completed a private placement financing of subscription receipts on March 23, 2021 for gross proceeds of \$20,026,805 (the "Financing"). The proceeds were placed in escrow with the Company's transfer agent pending satisfaction of all conditions precedent to the Transaction.

As a result, on March 30, 2021, 37,567,400 subscription receipts of the Company were each automatically exercised for one common share of the Company and 5,555,212 tranche 1 flow-through subscription receipts of the Company (the "Tranche 1 FT Subscription Receipts") and 4,496,403 tranche 2 flow-through subscription receipts of the Company (the "Tranche 2 FT Subscription Receipts" and together with the Tranche 1 FT Subscription Receipts, the "FT Subscription Receipts") were each automatically exercised for the right (each, a "Right") to subscribe for one common share of the Company that qualifies as "flow through" share within the meaning of the *Income Tax Act* (Canada) pursuant to subscription and renunciation agreements entered into by the Company and the subscribers of the FT Subscription Receipts following the issuance of the Rights. Following the transactions described above, a total of 47,619,015 common shares have been issued in connection with the Financing. A portion of the net proceeds of the Financing were used to satisfy the cash portion of the Purchase Price of the Transaction. In connection with the Financing, the Company issued compensation warrants equal to 6% of the securities sold in the Offering, or 2,825,640 compensation warrants, to the agents in the Offering with each such compensation warrant being exercisable to acquire one common share of the Company for a period of 24 months following the issuance thereof at a price of \$0.40 per share and paid cash commissions of a total of \$1,189,008 to the agents. In connection with the Transaction, the Company paid a cash fee of \$400,000 and issued 226,244 common shares pursuant to a financial advisory services agreement.

Pursuant to the terms of the Transaction, Red Pine satisfied the Purchase Price through the payment of C\$11,341,315 in cash, the granting of the NSR and the set-off of \$1,104,081 payable to Red Pine by Citabar. Red Pine elected to pay more than the minimum cash payment and therefore did not issue any common shares to the Vendors in connection with the Transaction. The remaining funds, after deduction for costs, will be used in accordance with the terms of the Agreement.

RISKS AND UNCERTAINTIES

The operations of the Company are speculative due to the high-risk nature of its business, which is the acquisition, financing, exploration and development of mining properties. Additional risks not currently known to the Company, or that the Company currently deems immaterial, may also impair the Company's operations. If any of the following risks actually occur, the Company's business, financial condition and operating results could be adversely affected.

Management

The success of the operations and activities of the Company is dependent to a significant extent on the efforts and abilities of its management, outside contractors, experts and other advisors. Investors must be willing to rely to a significant degree on management's discretion and judgement, as well as the expertise and competence of the outside contractors, experts and other advisors. The Company does not have a formal program in place for succession of management and training of management. The loss of one or more of the key employees or contractors, if not replaced on a timely basis, could adversely affect the Company operations and financial performance.

Credit risk

The Company deposits cash with financial institutions it believes to be creditworthy. In some circumstances, cash balances at these financial institutions may exceed the federally guaranteed amount. The Company's current credit risk is primarily attributable to cash and amount receivable. Cash is held with a reputable, Tier A Canadian chartered bank and as such, management believes the risk of loss to be minimal. Amount receivable is due from the federal government of Canada and receivables from related parties. Management believes that the credit risk with respect to financial instruments included in HST recoverable is minimal and remote.

Liquidity risk

The Company's ability to remain liquid over the long term depends on its ability to obtain financing necessary to complete exploration and development of its mineral properties and their future profitable production or, alternatively, upon the Company's ability to dispose of its interest on an advantageous basis.

Currency risk

The Company has no foreign currency denominated assets or liabilities. Major purchases are transacted in Canadian dollars and therefore the Company has no material foreign currency exposure.

Interest rate risk

The Company's cash balance is subject to changes in interest rates. Interest rate risk is minimal.

Tax risk

The Company has commitments to incur Canadian Exploration Expenditures. Any shortfall could result in tax penalties assessed by the Canada Revenue Agency.

Equity price risk

Market risk arises from the possibility that changes in market prices will affect the value of financial instruments of the Company. Except for marketable securities, the Company's other financial instruments (cash, amount receivable, accounts payable and accrued liabilities) are not subject to price risk.

Commodity price risk

The Company is exposed to price risk with respect to gold and other commodity prices, such prices impacting the future economic feasibility of its exploration properties. The Company closely monitors gold and other commodity prices to determine the appropriate course of action to be taken by the Company.

Additional capital

The exploration activities of the Company may require substantial additional financing. Failure to obtain sufficient financing may result in delaying or indefinite postponement of exploration and development of any of the Company's properties. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financings will be favourable to the Company. In addition, low commodity prices may affect the Company's ability to obtain financing.

Environmental and permitting

The Company's current or future operations, including development activities, are subject to environmental regulations, which may make operations not economically viable or prohibit them altogether. All aspects of the Company's operations are subject to environmental regulation in the various jurisdictions in which it operates. These regulations, among other things, mandate the maintenance of air and water quality standards, land reclamation, transportation, storage and disposal of hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors, and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations.

Acquisition

The Company uses its best judgment to acquire mining properties for exploration and development. In pursuit of such opportunities, the Company may fail to select appropriate acquisition candidates or negotiate acceptable agreements, including arrangements to finance the acquisitions and development, or integrate such opportunity and their personnel with the Company. The Company cannot assure that it can complete any acquisition that it pursues or is currently pursuing, on favourable terms, or that any acquisition completed will ultimately benefit the Company.

Competition

The mining industry is intensely competitive in all its phases, and the Company competes with many companies possessing greater financial resources and technical facilities than the Company. Competition in the mining business could adversely affect the Company's ability to acquire suitable producing properties or prospectus for mineral exploration in the future.

Political risk

All the Company's mineral properties are located in Canada. Accordingly, the Company is subject to risks normally associated with exploration for and development of mineral properties in Canada, which the Company believes to be low.

Business risk

There are numerous business risks involved in the mineral exploration industry. The Company may not own 100% of a mineral concession or joint venture. Similarly, any non-compliance with or non-satisfaction of the terms of the Option by the Company could affect its ability to exercise the Option and earn its interest in the mining concessions and assets relating to properties.

Surface Rights

Mining concessions may not include surface rights and there can be no assurance that the Company will be successful in negotiating long term surface rights access agreements in respect of the properties. Failure to obtain surface rights could have an adverse impact on the Company's future operations.

GOING CONCERN

Red Pine Exploration Inc. (the "Company" or "Red Pine") was founded in 1936 under the laws of Ontario, Canada for the acquisition, exploration, and development of mining properties. The Company's head office and primary location of its registered records is 145 Wellington Street West, Suite 1001, Toronto, Ontario, M5J 1H8. The Company is currently in the exploration stage and has not commenced any commercial operations.

The accompanying Consolidated Financial Statements have been prepared on the basis of a going concern, which contemplates the realization of assets and liquidation of liabilities in the normal course of business.

As at October 31, 2020, the Company had a working capital surplus of \$82,181 (July 31, 2020: surplus \$604,550) and an accumulated deficit of \$69,743,045 (July 31 2020: \$ 69,237,900). The Company had a net loss from operations for the three-month period ended October 31, 2020 of \$505,145 (October 31, 2019: \$1,202,365).

In assessing whether the going concern assumption is appropriate, management considers all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. The Company's ability to continue operations and fund its mining interest expenditures is dependent on management's ability to secure additional financing. Management is actively pursuing such additional sources of financing, and while it has been

successful in doing so in the past, there can be no assurance it will be able to do so in the future. The Company is currently in the exploration stage and has not commenced commercial operations. These conditions cast significant doubt about the Company's ability to continue as a going concern.

The accompanying Consolidated Financial Statements do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore need to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying Consolidated Financial Statements.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

(a) Statement of compliance

These Consolidated Financial Statements have been prepared in accordance and comply with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the IFRS Interpretations Committee ("IFRIC").

The condensed interim consolidated financial statements were approved by the Board of Directors on December 18, 2020.

(b) Basis of presentation

These Consolidated Financial Statements have been prepared on a historical cost basis except for certain financial instruments that have been measured at fair value. In addition, these Consolidated Financial Statements have been prepared using the accrual basis of accounting, except for cash flow information.

(c) Basis of consolidation

These Consolidated Financial Statements include the accounts of the Company and its wholly owned subsidiary Augustine Ventures Inc. All intercompany balances and transactions have been eliminated.

(d) Significant accounting judgements and estimates

The preparation of these Consolidated Financial Statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period.

Actual outcomes could differ from these estimates. The Consolidated Financial Statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and also in future periods when the revision affects both current and future periods. Significant accounting judgments, estimates and underlying assumptions are reviewed on an ongoing basis.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could have an effect on the amounts recognized in the Consolidated Financial Statements relate to the following:

CRITICAL ACCOUNTING POLICIES AND ESTIMATES (CONTINUED)

(d) Significant accounting judgements and estimates (continued)

Going concern

The preparation of the condensed interim consolidated financial statements requires management to make judgments regarding the going concern of the Company.

Share-based compensation

Estimating fair value for granted stock options requires determining the most appropriate valuation model which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the option, volatility, dividend yield, and rate of forfeitures and making assumptions about them. The value of the share based payment expense along with the assumptions and model used for estimating fair value for share-based compensation transactions are disclosed the stock options section.

Deferred Flow-Through Premium and Flow-Through Provision Estimates

The assumptions and calculations used for estimating the value attributed to the flow-through premiums on flow-through financings and flow-through provisions as disclosed in Flow-Through premium sections.

Deferred taxes

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income, which in turn is dependent upon the successful discovery, extraction, development and commercialization of mineral reserves. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and deferred tax provisions or recoveries could be affected.

Novel Coronavirus ("COVID-19")

The Company's operations could be significantly adversely affected by the effects of a widespread global outbreak of a contagious disease, including the recent outbreak of respiratory illness caused by COVID-19. The Company cannot accurately predict the impact COVID-19 will have on its operations and the ability of others to meet their obligations with the Company, including uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak, and the length of travel and quarantine restrictions imposed by governments of affected countries. In addition, a significant outbreak of contagious diseases in the human population could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could further affect the Company's operations and ability to finance its operations.

OTHER INFORMATION

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

¹Mineral Resource Statement, Surluga-Jubilee Gold Deposit, Wawa Gold Project, Ontario, SRK Consulting (Canada) Inc. (effective May 26, 2015)). The report is available on www.SEDAR.com under Red Pine's profile.

²NI 43-101 inferred resource of 1,088,000 ounces of gold at a 1.71 grams per tonne (g/t) using a 0.40 g/t gold cut-off grade for pit-constrained and 2.50 g/t gold cut-off grade for underground-constrained resources, contained in 19.82 million tonnes open along strike and at depth. The Cut-off grades are based on a gold price of US\$1,250 per ounce and a gold recovery of 95 percent (Mineral Resource Statement, Surluga-Jubilee Gold Deposit, Wawa Gold Project, Ontario, SRK Consulting (Canada) Inc (effective May 26, 2015)).