

JASPER MINING CORPORATION
Management's Discussion and Analysis (Form 51-102F1)
December 31, 2021

The following management's discussion and analysis (the "MD&A") of financial results of Jasper Mining Corporation ("Jasper" or the "Corporation") as at and for the years ended December 31, 2021 and 2020 and should be read in conjunction with the audited financial statements as at December 31, 2021 and 2020 and related notes thereto. Certain statements included in this discussion constitute forward-looking statements that involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements expressed or implied by such forward-looking statements to differ significantly from the Corporation's expectation. Such factors include general economic and business conditions, which among other things, affect demand for the Corporation's services; industry capacity; the ability of the Corporation to implement its business strategy; and changes in, or the failure to comply with the government regulations, especially health, safety and environmental law, regulations and guidelines. The financial data presented has been prepared in accordance with International Financial Reporting Standards ("IFRS"). The reporting currency in the financial statements and in this MD&A is in Canadian dollars, unless otherwise stated.

The date of this Management's Discussion and Analysis ("MD&A") is April 11, 2022

Special Note Regarding non-IFRS Measures – This MD&A includes references to financial measures commonly used in the mining industry. The Corporation uses these measures to evaluate its performance and feels that their inclusion enables the Corporation and current and potential investors to compare the financial measures against other companies in the mining industry. The term "funds from (used in) operations", defined as the net loss for the period adjusted for non-cash items in the statements of loss and comprehensive loss, before the change in non-cash working capital, should not be considered an alternative to, or more meaningful than, cash flow from operating activities or net loss as determined in accordance with IFRS as an indicator of performance. The Corporation's determination of funds from (used in) operations may not be comparable to that reported by other companies. The reconciliation between net loss and funds from (used in) operations can be found in the Statements of Cash Flows included in the financial statements noted above.

OVERVIEW

Jasper Mining Corporation was incorporated on November 28, 1994, in the Province of Alberta. The Corporation is in the exploration stage and is engaged in the exploration for and development of base and precious metals in Canada.

The Corporation historically capitalized expenditures on the exploration and evaluation of its' mineral properties. During the period ended March 31, 2016, the Corporation adopted a voluntary change in accounting policy, as permitted and accepted under IFRS, with respect to these expenditures. The Corporation's new policy is now to expense these costs until such time as the technical feasibility and commercial viability has been established that supports the future development of the property. The ability of the Corporation to continue to operate as a going concern is dependent on the discovery of the recoverable mineral reserves, the ability of the Corporation to obtain necessary financing to complete their development and upon future profitable operations. The financial statements have been prepared on a going concern basis, which assumes the Corporation will be able to realize its assets and discharge its liabilities in the normal course of business in the foreseeable future.

The financial statements do not include any adjustments that would be necessary should the Corporation be unable to raise sufficient capital and consequently be unable to continue as a going concern.

OPERATING UPDATE

The management of Jasper is following its plan to reduce costs as well as reduce the number of properties the Corporation intends to maintain.

Jasper anticipates difficulty on raising operating and drilling money in the mining business for the foreseeable future especially with the uncertainty surrounding the COVID-19 pandemic. The summary of significant events for the recently completed fiscal year:

- 1) Jasper anticipates continuing to explore the lead, zinc, silver and gold potential of its Ruth Vermont/Vowell Creek properties.
- 2) Jasper's Isintok property (copper, molybdenum, gold, silver, tungsten) is being marketed with the intention of finding a joint venture partner to carry on the exploration. The Isintok property has shown the potential for large tonnage.
- 3) Prior to December 31, 2021, the Corporation incurred \$43,608 in mining lease claim costs extending all expiry dates for Ruth Vermont, Vowell Creek and Isintok properties to various dates during the 2022 calendar year. Included in the amount of \$43,608, \$19,052 was expensed in fiscal 2021 with the remaining \$24,556 recorded as a prepaid expense at December 31, 2021.

PORTFOLIO OF EXPLORATION PROPERTIES AND ACTIVITY REPORT

Copper Molybdenum Porphyry – (Cu Mo Ag Au W)

Isintok – As reported in previous MD&A's, Jasper has been provided a Letter Report by AMC Mining Consultants (Canada) Ltd. ("AMC") on the Isintok Property. The AMC report excluded some 45 previously diamond drill holes in these reports and did not integrate past and recent geophysical anomalies with these data. Past drill reports are publicly available; however, all diamond drill holes were either incompletely analyzed, or the analyses were not to modern standards. Ore geometry, mineral intersections and structural information from these drill holes could be helpful for understanding ore genesis and distribution. Current assay data suggests perhaps at least two periods of epithermal mineralization; one of these phases may be related to later faulting (as suggested in the AMC Report) with Ni and Co enrichment.

To date, there are two assessments of ore quality and volume (Exhibit 1)

Exhibit 1

Isintok ⁽¹⁾	1e6				
	tonnes	Cu (%)	Mo (%)	Au (g/t)	Ag (g/t)
AMC (JSP.h) Report, 2011	50-110	0.08-0.012	0.01-0.02	0.02-0.03	.80-1.10
Verdstone Gold Corp, 1997	25-100	0.1-0.2	0.04-0.10	n/a	n/a

(1) Note that these estimates are *not* NI 43-101 compliant, and they represent estimates which are available in the public record.

The large discrepancy is related to clearly related to collar location, and to drill hole dip and azimuth. A statistical analysis of the drill hole intersections feature a significant biased with more limited intersections for vertical wells, which suggests a clear structural orientation of mineralized zones. These should be considered for future drilling planning. The current range of analysis (Exhibit 1) places the grade well above, or approximately the same as, the grade the nearby Brenda Mine. The Brenda mine yielded more than \$20 million dollars of dividends to shareholders for the life of the mine (BC Assessment Report 25103).

Despite the claims being in good standing until 2021-2025, the Corporation does not currently have capital funding available and given the current economic outlook, the decision was made during the year ended December 31, 2015 to expense all of the previous acquisition costs on this property. However, in-house technical analysis and compilation of available data is ongoing.

Lead Zinc Gold Silver – (Pb Zn Ag Au)

Vowell Creek – The Vowell Creek Property is comprised of 12,750.20 hectares (“ha”) (31,481 acres) located approximately 35 kilometers south of Golden, British Columbia. Despite the five significant claims being in good standing, the Corporation does not currently have capital funding available and given the current economic outlook, the decision was made during the year ended December 31, 2015 to expense all of the previous claim renewals on this property. During the year ended December 31, 2021, \$2,970 (2020 - \$7,396) of expenditures were incurred and expensed on the property.

Future field work and data compilation is ongoing and the corporation expects to make a decision on continuing the claims or investing further capital within 2022.

McFarlane – The property is located immediately east of Kootenay Lake in British Columbia and is beside the Lydy property. Extensive soil sampling was completed and a geophysical airborne survey was flown over the property. The Corporation carried out a diamond drill program of 93 core holes following up several thousand assays on these drill cores. An IP survey was then conducted over these high grade veins. Despite the claims being in good standing until 2022, the Corporation does not currently have capital funding available and given the current economic outlook, the decision was made during the year ended December 31, 2015 to expense all of the previous acquisition costs on this property. No further expenditures have been incurred to date.

Lead Zinc Silver (Pb Zn Ag)

Irony – The Irony property was sold for \$100,000 in fiscal 2014, but the Corporation retains at 1.5% net smelter interest. Mount Polly Mining, a wholly owned sub of Imperial Mining, is the operator of this property. It remains a key asset under their portfolio and technical work and field work is ongoing. Under their public disclosures, they indicate 6.2 million tonnes of 6.5% Zn and 1.33 % Pb (4% Pb+Zn cut-Off). It is a stratiform SEDEX deposit within a large, north-plunging recumbent regional syncline. Significant surface showing are present with the block, which have been the focus of coring.

All Other Properties – Certain claims, primarily in the Erie Creek Property have been forfeited as approximately \$52,000 of work payments were required to maintain the claims in good standing. All other aspects of Jasper’s mineral exploration are on hold at this time.

RESULTS OF OPERATIONS

Three months ended December 31

During the three months ended December 31, 2021, the Corporation incurred a net loss of \$47,437 (2020 - \$19,534). The majority of the increase was due to \$19,052 incurred being the portion related to extending mining lease claim expiry dates.

Year ended December 31

During the year ended December 31, 2021, the Corporation incurred a net loss of \$104,819 (2020 - \$91,147). The majority of the change can be attributed to the following components:

- A \$5,000 decrease in general and administrative expenses due primarily to a decrease in professional fees, and in office expense.
- Costs incurred of \$19,052 (2020 - \$7,396) being the portion related to extending mining lease claim expiry dates.

LIQUIDITY AND CAPITAL RESOURCES

As at December 31, 2021, the Corporation had a working capital deficit of \$436,775 compared to \$332,390 at December 31, 2020. The increase in the working capital deficit is due to day to day expenses of operating a junior mining exploration company. In 2021, an additional \$43,608 was incurred related to extending mining claim expiry dates into the fiscal 2022 year.

The Corporation received advances totaling \$30,000 from a related party and a director of the Corporation during year ended December 31, 2020. An additional \$70,000 in funding was received from the same related party during the year ended December 31, 2021. These funds were utilized for operating activities and for the extension of mining claims into the fiscal 2022 year.

Subsequent to year end, an additional \$30,000 was advanced from a related party and a director of the Corporation.

Junior mining companies like Jasper face significant difficulties in raising money to fund their ongoing operations during this continued period of economic downturn further amplified by the COVID-19 pandemic. The Corporation continues to pursue alternate arrangements either from equity or debt financings, joint ventures or asset rationalizations to provide the funding required to continue its exploration activities and fund its overhead expenditures.

FINANCING ACTIVITIES

During the years ended December 31, 2021 and 2020 no shares were issued.

EXPLORATION AND EVALUATION EXPENSES

During the year ended December 31, 2020, the Corporation incurred \$7,396 in exploration and evaluation expenditures on the Vowel Creek property.

During the year ended December 31, 2021, the Corporation incurred \$43,608 in mining lease claims costs of which \$24,556 relates to the extension of the lease claims into various dates during the year ended December 31, 2022.

DECOMMISSIONING OBLIGATIONS

At December 31, 2021, the Corporation did not estimate costs relating to future site restoration and abandonment to be in excess of recorded property deposits. The Corporation has made no provision for decommissioning obligations or potential environmental liabilities on the basis that any such liability would not have a material effect on the December 31, 2021 and 2020 financial statements. Factors such as further exploration, inflation and changes in technology may materially change the cost estimate. Mineral property deposits totaling \$32,175 (2020 - \$32,073) have been paid to the government of British Columbia and are refundable upon reclamation of areas by mining exploration activities.

The Corporation is required to maintain safekeeping deposits in the amount of \$54,500 (2020 - \$54,500) pursuant to various mineral claim agreements with the Government of British Columbia. At December 31, 2021, the Corporation had \$32,500 (2020 - \$32,500) on deposit with the government ministry and is required to deposit an additional \$22,000 (2020 - \$22,000) with the ministry.

RELATED PARTY BALANCES AND TRANSACTIONS

The Corporation had the following related party transaction in the normal course of operations and measured at the exchange amount:

Amounts due to related parties consist of amounts due to shareholders, officers and directors of the Corporation and companies controlled or significantly influenced by shareholders and officers of the Corporation. The amounts are non-interest bearing, unsecured and have no fixed terms of repayment.

- a) During the year ended December 31, 2021, \$6,000 (2020 - \$6,000) was charged for rent by a company owned by the President of the Corporation. Included in accounts payable and accrued liabilities at December 31, 2021 is \$14,175 (2020 - \$7,875) due to this company.
- b) At December 31, 2021, there was \$nil (2020 - \$nil) in due to related parties for expense advances and \$100,000 due to related parties (2020 - \$30,000) controlled by the President of the Corporation.
- c) During the year ended December 31, 2021, \$21,000 (2020 - \$21,000) was charged by a company owned by the President of the Corporation for administrative services. Included in accounts payable and accrued liabilities at December 31, 2021 is \$49,613 (2020 - \$27,563) due to this company.
- d) During the year-ended December 31, 2021, \$9,500 (2020 - \$6,250) was charged by the CFO for accounting services. Included in accounts payable and accrued liabilities at December 31, 2021 is \$5,000 (2020 - \$5,000) owing to this individual and \$22,870 (2020 - \$nil) owing for expense reimbursements paid on behalf of the Corporation.

SHARE CAPITAL

Common shares

The Corporation commenced 2019 with 16,256,716 shares outstanding. During the year ended December 31, 2019, 208,334 warrants were exercised and the Corporation issued 1,933,070 common shares in exchange for debt bringing the total shares outstanding to 18,398,120 as of December 31, 2019, 2020, 2021 and at the date of this MD&A.

Warrants

At the beginning of 2019, the Corporation had 308,334 warrants outstanding. During the year ended December 31, 2019, 208,334 warrants were exercised and 100,000 expired leaving no warrants outstanding as of December 31, 2019, 2020, 2021 and at the date of this MD&A.

Stock options

During the year ended December 31, 2020, 575,000 options expired leaving 725,000 options outstanding as of December 31, 2020, December 31, 2021. On March 23, 2022, the Corporation granted 1,000,000 stock options exercisable at \$0.08 for a period of five years leaving 1,725,000 options outstanding as the date of this MD&A.

WORK CREDITS

The Corporation has forfeited certain claims primarily in the Erie Creek area as additional funds were required to maintain the claims. The Corporation's work on its remaining properties has been credited towards the assessment requirement by the Province of British Columbia which puts the claims, leases and grants of the Corporation in good standing for a number of years.

INCOME TAX

A deferred income tax provision of \$nil (2020 - \$nil) was recorded for the year ended December 31, 2021.

As of December 31, 2021, the Corporation has approximately \$4.0 million (2020 - \$3.9 million) in non-capital losses and a tax base of minimal property deduction of approximately \$3.0 million (2020 - \$3.0 million) available for use against future taxable income. The non-capital losses expire between 2026 to 2041. The deferred income tax assets have not been recognized as their recovery is uncertain.

THE YEAR AHEAD

The likelihood of raising money for mining ventures is small. The Corporation continues to explore available alternatives. See "Liquidity and Capital Resources".

SELECTED QUARTERLY INFORMATION

As at and for the three months ended:	Dec 31, 2021	Sept 30, 2021	June 30, 2021	March 31, 2021
Total assets	196,231	169,263	173,789	171,205
Working capital deficit	(436,775)	(389,447)	(379,694)	(345,108)
Shareholders' deficiency	(277,479)	(230,042)	(220,180)	(185,485)
Net loss	(47,437)	(9,862)	(34,695)	(12,825)
Net loss per share	(0.01)	(0.00)	(0.00)	(0.00)

As at and for the three months ended:	Dec 31, 2020	Sept 30, 2020	June 30, 2020	March 31, 2020
Total assets	177,058	178,033	180,827	194,045
Working capital deficit	(332,390)	(317,854)	(311,617)	(274,305)
Shareholders' deficiency	(172,660)	(153,126)	(143,806)	(95,336)
Net loss	(19,534)	(9,320)	(48,470)	(13,823)
Net loss per share	(0.00)	(0.00)	(0.00)	(0.00)

BUSINESS AND OPERATIONAL RISKS

The Corporation is a mineral exploration company and is exposed to a number of risks and uncertainties that are common to companies in the same business. These risks and uncertainties include, among other things, the speculative nature of mineral exploration and development activities, the Corporation's need for additional funding to continue its exploration efforts, operating hazards and risks incidental to mineral exploration, the fact that the Corporation's properties are in the exploration stage only and do not contain a known body of commercial ore, uncertainties associated with title to mineral properties, changes in general economic, market and business conditions; competition for capital, acquisitions of mineral properties and skilled personnel; ability to obtain required mine licenses, mine permits and regulatory approvals required to proceed with mining operations; ability to comply with current and future environmental and other laws; actions by governmental or regulatory authorities including increasing taxes and changes in other regulations; and the occurrence of unexpected events involved in mineral exploration, development and production.

Being a junior exploration mining company, the Corporation's ability to raise the necessary financings for future exploration depends to a large degree on commodity price trends, general investor sentiment for companies in the mining exploration sector and the Corporation's ability to confirm the existence of sought after minerals in sufficient quantities and quality on its exploration lands. Management of the Corporation is of the view that the risks faced by the Corporation are no greater than the risks encountered by its peers.

Valuation of mineral properties

The Corporation historically capitalized expenditures on the exploration and evaluation of its mineral properties. During the period ended March 31, 2016, the Corporation adopted a voluntary change in accounting policy, as permitted and accepted under IFRS, with respect to these expenditures. The Corporation's new policy is now to expense these costs until such time

as the technical feasibility and commercial viability has been established that supports the future development of the property.

Income taxes

The Corporation records deferred tax assets and liabilities to account for the expected future tax consequences of events that have been recorded in its financial statements and its tax returns. These amounts are estimates and the actual tax consequences may differ from the estimates due to changing tax rates and regimes, as well as changing estimates of cash flows and capital expenditures in current and future periods. A valuation allowance is recorded to the extent that there is uncertainty regarding utilization of future tax assets.

Share-based compensation

Share-based compensation expense is recorded in the statements of loss and comprehensive loss for all options granted based on the estimated fair value at the time of the grant and recognized as expense over the vesting period of the option. The fair value of options is estimated using the Black-Scholes option-pricing model based on estimates and assumptions for expected life of the options, expected volatility, expected forfeitures, risk-free interest rate and dividend yield.

During the year ended December 31, 2021, the Corporation's share-based compensation expense was \$nil (2020 - \$nil). The unvested share-based compensation expense as of December 31, 2021 is \$nil (2020 - \$nil).

FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

The Corporation's financial instruments include cash, accounts payable and accrued liabilities, other receivables, and due to related parties. The carrying values of these financial instruments approximate their fair values due to their relatively short periods to maturity. The Corporation is required to classify fair value measurements using a hierarchy that reflects the significance of the inputs used in making the measurements.

The fair value hierarchy is as follows:

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

The Corporation's risk management policies are established to identify and analyze the risks faced by the Corporation, to set appropriate risk limits and controls, and to monitor risks and adherence to market conditions and the Corporation's activities. The Corporation has exposure to credit risk, liquidity risk and market risk as a result of its use of financial instruments.

This presents information about the Corporation's exposure to each of the above risks and the Corporation's objectives, policies and processes for measuring and managing these risks. Further quantitative disclosures are included throughout the financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Corporation's risk management framework. The Board has implemented and monitors compliance with risk management policies as set out herein:

a) Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Corporation's policy is to ensure that its investments are liquid.

The Corporation's other receivables relates primarily to Goods and Services Tax input tax credits. Accordingly, the Corporation views credit risk on other receivables as minimal and has subsequently collected the outstanding amount.

b) Liquidity risk

Liquidity risk is the risk that the Corporation will incur difficulties meeting its financial obligations as they are due. The Corporation's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses or risking harm to the Corporation's reputation.

The Corporation prepares annual expenditure budgets, which are regularly monitored and updated as considered necessary. To facilitate its expenditure program, the Corporation raises funds through private equity placements. The Corporation's liquidity position has weakened since the beginning of the year due to the cost of ongoing exploration and corporate activities exceeding funds raised during the period. Current market conditions resulting from the global credit crisis have created unfavorable terms for equity financings required for junior mineral exploration companies, including the Corporation. As a result, the Corporation is currently evaluating alternatives to raise additional capital to improve liquidity.

As at December 31, 2021 and 2020, the Corporation's financial liabilities were comprised of accounts payable and accrued liabilities and due to related parties, which have a maturity of less than one year.

c) Interest rate risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Corporation is exposed to interest rate risk primarily through its variable interest rate on its cash and cash equivalents. For the years ended December 31, 2021 and 2020, if interest rates had been 1% higher with all other variables held constant, the change in the loss for the periods would have been insignificant.

The Corporation did not have any interest rate contracts outstanding at December 31, 2021 and 2020.

CAPITAL MANAGEMENT

The Corporation's objectives when managing capital are to safeguard the Corporation's ability to continue as a going concern and to maintain a flexible capital structure, which will allow it to pursue the development of its mineral properties. Therefore, the Corporation monitors the level of risk incurred in its mineral property expenditures relative to its capital structure.

The Corporation considers its capital structure to include working capital and shareholders' equity (deficiency). The Corporation monitors its capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the underlying assets.

To maintain or adjust the capital structure, the Corporation may issue new equity if available on favorable terms, option its mineral properties for cash and/or expenditure commitments from optionees, enter into joint venture arrangements, or dispose of mineral properties.

The Corporation's investment policy is to hold cash in interest bearing bank accounts and highly liquid short-term interest bearing investments with maturities of one year or less which can be liquidated at any time without penalties.

The Corporation is not subject to externally imposed capital requirements. There has been no change in the Corporation's approach to capital management during the years ended December 31, 2021 and 2020.

INTERNAL CONTROLS OVER FINANCING REPORTING

The President and Chief Financial Officer of the Corporation are responsible for designing internal controls over financial reporting or causing them to be designed under their supervision in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The President and Chief Financial Officer have assessed the design of internal controls over financial reporting and during this process have identified certain weaknesses in internal controls over financial reporting which are as follows:

- a) Due to the limited number of staff at the Corporation, it is not possible to achieve complete segregation of duties; and
- b) Due to the size of the Corporation and the limited number of staff, the Corporation does not have the technical accounting expertise and knowledge to address all complex and non-routine accounting transactions that may arise.

These weaknesses in the Corporation's internal controls over financial reporting result in a more than remote likelihood that a material misstatement would not be prevented or detected. Management and the Board of Directors work to mitigate the risk of material misstatement in financial reporting. In addition, when complex accounting and technical issues arise during preparation of the quarterly financial statements outside consulting expertise is engaged. In spite of management's best efforts, there can be no assurance that this risk can be reduced to less than a remote likelihood of a material misstatement.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future years affected.

In the process of applying the Corporation accounting policies, management has made the following judgements, apart from those involving estimates, which may have the most significant effect on the amounts recognized in the financial statements.

i. Impairment indicators and calculation of impairment:

At each reporting date, the Corporation assesses whether or not there are circumstances that indicate a possibility that the carrying value of exploration and evaluation assets and property and equipment is not recoverable, or is impaired. Such circumstances include incidents of physical damage, deterioration of commodity prices, changes to the regulatory environment, or a reduction in estimates of proved and probable reserves. When management judges that circumstances clearly indicates impairment, property and equipment is tested for impairment by comparing values to their recoverable amounts. The recoverable amounts of cash generating units ("CGUs") are determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions, including the discount rate applied. At the end of each financial reporting period, the Corporation assesses whether there is any indication an impairment loss recognized in prior periods may no longer exist or may have decreased. An impairment loss recognized in prior periods would be reversed if there has been a change in the estimate used to determine the recoverable amount since the last impairment loss was recognized. The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss recognized for the assets in prior years.

ii. Cash generating units

A cash generating unit is defined as the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups thereof. The Corporation allocates costs to a CGU based on geographic location, shared infrastructure, and common geological and geophysical characteristics.

iii. Income taxes

The Corporation recognizes deferred income tax assets to the extent that it is probable that taxable profit will be available to allow the benefit of that deferred income tax assets to be utilized. Assessing the recoverability of deferred income tax assets requires the Corporation to make significant estimates related to expectation of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws. To the extent that future cash flows and taxable income differ

significantly from estimates, the ability of the Corporation to realize the deferred income tax assets recorded at the reporting date could be impacted. Additionally, future changes in tax laws in the jurisdictions in which the Corporation operates could limit the ability of the Corporation to obtain tax deductions in future periods.

iv. Going concern

As described in note 1 in the financial statements for the years ended December 31, 2021 and 2020, management uses its judgement in determining whether the Corporation is able to continue as a going concern.

v. Exploration and evaluation expenditures

The application of the Corporation's accounting policy for exploration and evaluation expenditures require judgement in determining whether it is likely that future economic benefits will flow to the Corporation, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available.

vi. Property and equipment and depreciation

Estimates useful lives and residual values of tangible equipment are reviewed annually. Estimated resources are reviewed each reporting period. Resources estimates are dependent on numerous variables. Changes in these variables could have significant impact on the test for impairment. The carrying values of property and equipment is reviewed for impairment where there has been a trigger event (that is, an event which may have resulted in impairment) by assessing the recoverable amount. Recoverable amount is the higher of fair value less costs to sell and value in use, which is determined by the present value of future cash flows. The calculation of estimated future cash flows is discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets for which the estimates of future cash flows have not been adjusted.

vii. Share-based compensation

In accounting for fair value of stock options and warrants, the Corporation makes assumptions regarding share price volatility, risk free rate, forfeiture rate, and expected life in order to determine the amount of associated expense to recognize.

NEW ACCOUNTING PRONOUNCEMENTS

No additional standards and guidance were adopted on January 1, 2021.

FUTURE ACCOUNTING PRONOUNCEMENTS

Onerous Contracts—Cost of Fulfilling a Contract (Amendments to IAS 37)

The amendments to IAS 37 specify which costs an entity includes in determining the cost of fulfilling a contract for the purpose of assessing whether the contract is onerous. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

These amendments are effective for reporting period beginning on or after January 1, 2022.

Classification of Liabilities as Current or Non-current (Amendments to IAS 1)

The amendments to IAS1 provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date.

These amendments are effective for reporting periods beginning on or after January 1, 2023.

FORWARD LOOKING STATEMENTS

Certain information set forth in this MD&A, including management's assessment of the Corporation future plans and operations, contains forward-looking statements, which are based on the Corporation's current internal expectations, estimates, projections, assumptions and beliefs, which may prove to be incorrect. Some of the forward-looking statements may be identified by words such as "expects", "anticipates", "believes", "projects", "plans" and similar expressions. These statements are not guarantees of future performance and undue reliance should not be placed on them. Such forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause the Corporation's actual performance and financial results in future periods to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements. The Corporation is a mineral exploration Corporation and is exposed to a number of risks and uncertainties that are common to companies in the same business. The risks and uncertainties include, among other things, the speculative nature of mineral exploration and development activities, the Corporation's need for additional funding to continue its exploration efforts, operating hazards and risks incidental to mineral exploration, the Corporation's properties are in the exploration stage only and do not contain a known body of commercial ore, uncertainties associated with title to mineral properties, changes in general economic, market and business conditions; completion for, among other things, capital, acquisitions of mineral properties and skilled personnel; ability to obtain required mine licenses, mine permits and regulatory approvals required to proceed with mining operations; ability to comply with current and future environmental and other laws; actions by government or regulatory authorities including taxes and changes on other regulations; and the occurrence of unexpected events involved in mineral exploration, development and production.

DISCLOSURE CONTROLS AND PROCEDURES

Disclosure controls and procedures have been designed to ensure that information required to be disclosed by the Corporation is accumulated and communicated to our management as appropriate to allow timely decisions regarding required disclosure. The Corporation's Chief Executive Officer and Chief Financial Officer have included, based on their evaluation as of December 31, 2021, that the Corporation's disclosure controls and procedures are effective to provide reasonable assurance that material information related to the Corporation, is made known to them by others within the entity. It should be noted that while the Corporation's Chief Executive Officer and Chief Financial Officer believe that our disclosure controls and procedures provide a reasonable level of assurance and that they are effective, they do not expect that the disclosure controls and procedures will prevent all errors and fraud. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control systems are met.

List of Directors as of December 31, 2021 and the date of the MD&A

Gordon F. Dixon, Q.C.

Jean-Pierre Pelletier

M. Blake Willard

Tim de Freitas

List of Officers as of December 31, 2021 and the date of the MD&A

Gordon F. Dixon, Q.C. – President, Secretary and CEO

Paul Seo, CPA, CA – Chief Financial Officer

Dena Dixon – Assistant Treasurer