



ALIANZA MINERALS LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2021

INTRODUCTION

This is Management's Discussion and Analysis ("MD&A") for Alianza Minerals Ltd. ("Alianza" or the "Company") and has been prepared based on information known to management as of January 26, 2022.

The MD&A is intended to complement and supplement the Company's consolidated financial statements, but it does not form part of those consolidated financial statements. The MD&A should be read in conjunction with the audited consolidated financial statements and the related notes for the years ended September 30, 2021, 2020 and 2019 which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All dollar figures included in those financial statements and/or this MD&A are quoted in Canadian dollars unless otherwise specified.

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 results. Consequently, certain statements contained in this MD&A constitute expressed 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.

Forward looking statements that have been made in this MD&A include:

- Plans for exploration of the Company's exploration and evaluation assets;
- Impairment of long-lived assets;
- The progress, potential and uncertainties of the Company's exploration and evaluation assets in USA (Nevada and Colorado), Canada (Yukon and British Columbia) and Peru;
- References to future commodity prices;
- Budgets or estimates with respect to future activities;
- Estimates of how long the Company expects its working capital to last;
- Expectations regarding the ability to raise capital and to continue its exploration and development plans on its properties; and
- Management expectations of future activities and results.

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.alianzaminerals.com.

SUMMARY AND OUTLOOK

Alianza is a growth-oriented exploration and development company focused on discovering economic mineral deposits, using a hybrid prospect generator model (getting other partners to fund our properties to minimize dilution as well as funding our own exploration programs on our top projects). Alianza focuses on the Americas, particularly the Cordilleran regions that characterize western North and South America.

As a hybrid prospect generator, the goal of Alianza is to acquire mineral exploration and evaluation assets (Mineral Properties) on attractive terms and add value through early stage exploration. Alianza will fund exploration programs only on select mineral properties and will also vend or option out certain drill ready mineral properties to third-party partners for larger, more expensive exploration programs.

The Company may receive cash or share consideration at the time of the option agreement or during the term of the option agreement. In addition, the Company normally retains an ownership interest in the Mineral Property and a royalty on potential future production.

Alianza recognizes environmental, social and governance ("ESG") best practices as key components to a responsible mineral exploration and mining sector. The Company's exploration programs are conducted to meet or exceed environmental regulations, while respecting the communities and environments in which we operate. Alianza strives to earn its social licence wherever it is active, whether that be in northern Canada, southwestern United States or Peru, meeting regularly with local communities, regulators and other concerned parties before, and during, exploration work to understand issues important to local and Indigenous communities. Alianza's approach is based on transparency, open communication, inclusivity and respect, to better enable social and economic benefit for communities as well as value for investors.

The environment for junior resource companies has been challenging for many months and it is anticipated that recovery of the sector may take many more months. We evaluate our projects on a regular basis using criteria that include political environment, relative cost of exploration, seasonality and type of mineral. As a result of our review, we may from time to time add or drop the Mineral Properties.

The Company believes that it has positioned itself well as a hybrid prospect generator due to the following:

- Broad base of projects in USA (Nevada, Colorado), Canada (Yukon and British Columbia) and Peru;
- Flexibility to acquire new projects in the Americas as opportunities arise;
- Management team proficient at leveraging early stage exploration with junior and major company partners; and
- Management backed by several strategic shareholder groups.

On October 9, 2020, the Company completed a non-brokered private placement by issuing 7,670,370 non-flow-through units ("Unit") at a price of \$0.135 per Unit for gross proceeds of \$1,035,500 and 13,881,130 flow-through shares ("FT Share") at a price of \$0.155 per FT Share for gross proceeds of \$2,151,575. Each Unit consists of one common share and one-half common share purchase warrant. Each warrant entitles the holder to purchase one additional common share for a 24-month period at a price of \$0.20 until October 9, 2022. Finders' fees of \$199,868 in cash and 1,339,036 in finders' warrants were recorded. Each finder's warrant is exercisable into one common share at \$0.135 until October 9, 2022. The FT Shares are eligible for a tax deduction for Canadian income tax payers for the year 2020.

and the proceeds are being spent on qualifying exploration expenditures on Alianza's projects in the Yukon Territory.

On June 14, 2021, the Company completed a non-brokered private placement by issuing 10,510,333 flow-through shares ("FT Share") at a price of \$0.12 per FT Share for gross proceeds of \$1,261,240. In connection with the financing, the Company paid \$79,870 as a cash finder's fee and issued 665,583 finder's warrants, each of which is exercisable into one common share at a price of \$0.12 for a period of 24 months. The FT Shares are eligible for a tax deduction for Canadian income tax payers for the year 2021 and the proceeds are being spent on qualifying exploration expenditures on Alianza's projects in the Yukon Territory.

During the year ended September 30, 2021, the Company issued common shares pursuant to the exercise of 56,100 finder's warrants and 6,240,000 warrants for cash proceeds of \$626,805.

The gross proceeds of the financings are used for the Company's working capital, general corporate expenses and to undertake further early stage exploration in certain USA, Canada and Peru properties, and for generating new projects.

For the 2021 fiscal year, the Company has continued to monitor its cash very closely and is focusing on key objectives to improve shareholder value. The Company intends to raise more funds either through exploration partnership agreements or with additional private placements in fiscal 2022.

Additional Mineral Property information, including 2021 activity, can be found in Section 3 and more detailed Mineral Property information can be found on the Company's website at www.alianzaminerals.com.

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

- ❑ The Company is focusing its exploration on gold, silver and copper due to management's expectation of increasing gold, silver and copper prices;
- ❑ The Company is active on a number of properties through the execution of its hybrid prospect generator business model, including the drill program on its Haldane property;
- ❑ The Company entered into Alliance Agreement with Cloudbreak Discovery PLC ("Cloudbreak") on two Mineral Properties in Colorado;
- ❑ The Company's option agreement with Coeur Mining Inc. ("Coeur") on the Tim property remain in good standing;
- ❑ The Company is working towards negotiating additional ventures on its existing portfolio of properties;
- ❑ Management continues its efforts to build the project portfolio through grassroots generative initiatives as well as project acquisitions; and
- ❑ Positive results and progress on the Company's exploration projects.

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1. Background

Alianza was incorporated in Alberta, Canada, on October 21, 2005 under the *Business Corporations Act of Alberta*.

On April 29, 2015, the Company completed a court-approved plan of arrangement with Estrella Gold Corporation ("Estrella"), effected a consolidation of its issued share capital on a ten old shares for one new share basis, changed its name to "Alianza Minerals Ltd." and began trading under the symbol "ANZ" on the TSX Venture Exchange ("TSXV"). Historical information on the formation of the Company can be found on the Company's website www.alianzaminerals.com or on SEDAR at www.sedar.com.

2. Overview

2(a) Company Mission and Focus

As a hybrid prospect generator, the Company's goal is to identify, acquire and explore properties with gold, silver and copper mineralization. The Company focuses on the Americas, particularly the Cordilleran regions that characterize western North and South America, with properties in Nevada and Colorado USA, Yukon and British Columbia Canada and Peru.

The goal is to acquire and/or generate high quality mineral prospects, add value to those prospects through preliminary exploration efforts, and then either carry out its own drill programs, vend them to third parties or option them to partners who will fund further exploration in order to earn a partial interest in the prospects. An acquisition of a prospect can be the outright purchase of a property or it can be as a result of generative exploration efforts. Generative exploration consists largely of prospecting, target reconnaissance and the staking of claims that the Company's geological team considers viable targets to meet the Company's hybrid prospect generator exploration criteria.

The Company's key indicators of success are: (1) Acquisition of properties with potential merit for exploration, option and partner agreements, (2) Exploration or definition of properties such that they are more attractive to potential exploration partners and (3) Exploration partner/option agreements.

2(b) Qualified Person

Jason Weber, BSc., P.Geo is the Qualified Person as defined under National Instrument 43-101 responsible for the technical disclosure in this document. Mr. Weber is the President and Chief Executive Officer of Alianza.

Mr. Weber prepared the technical information contained in this MD&A.

2(c) Description of Metal Markets

Gold and silver prices have remained above their long term averages, albeit with high levels of volatility. Market interest in gold exploration is currently stronger than for base metals.

Market interest in exploration for copper, zinc and lead is increasing. The Company will continue to monitor its resources relative to its opportunities during the fiscal year.

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

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 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.

3. Mineral Properties

The Company has properties in Nevada and Colorado USA, Yukon and British Columbia Canada, and Peru. The following is a brief description of the Mineral Properties owned by the Company.

3(a) USA

i. Twin Canyon, Colorado, USA

On June 17, 2020, the Company acquired a lease of the Twin Canyon gold property in southwest Colorado

The Company agreed to assume the terms of Myron Goldstein and Jon Thorson commitments under the lease, namely the annual lease payments of US\$15,000 for ten years, with the right to extend the lease for 2 additional terms of ten years each. The original property owner has a 1.5% NSR on the property, two-thirds (1%) of which is purchasable at any time for US\$1,000,000. If annual NSR payments exceed US\$20,000 in a given year, the Company will not have to make the annual US\$15,000 lease payment for that year.

Twin Canyon hosts disseminated gold mineralization in bleached Junction Creek sandstone that was first recognized to host gold in the 1950s. The property is located 20 km from the town of Mancos, Colorado.

The Company conducted exploration programs to expand the soil geochemical coverage with a 200-sample survey to assess the potential for additional gold mineralization in the Junction Creek sandstone and prioritize targets for follow-up. This program had commenced.

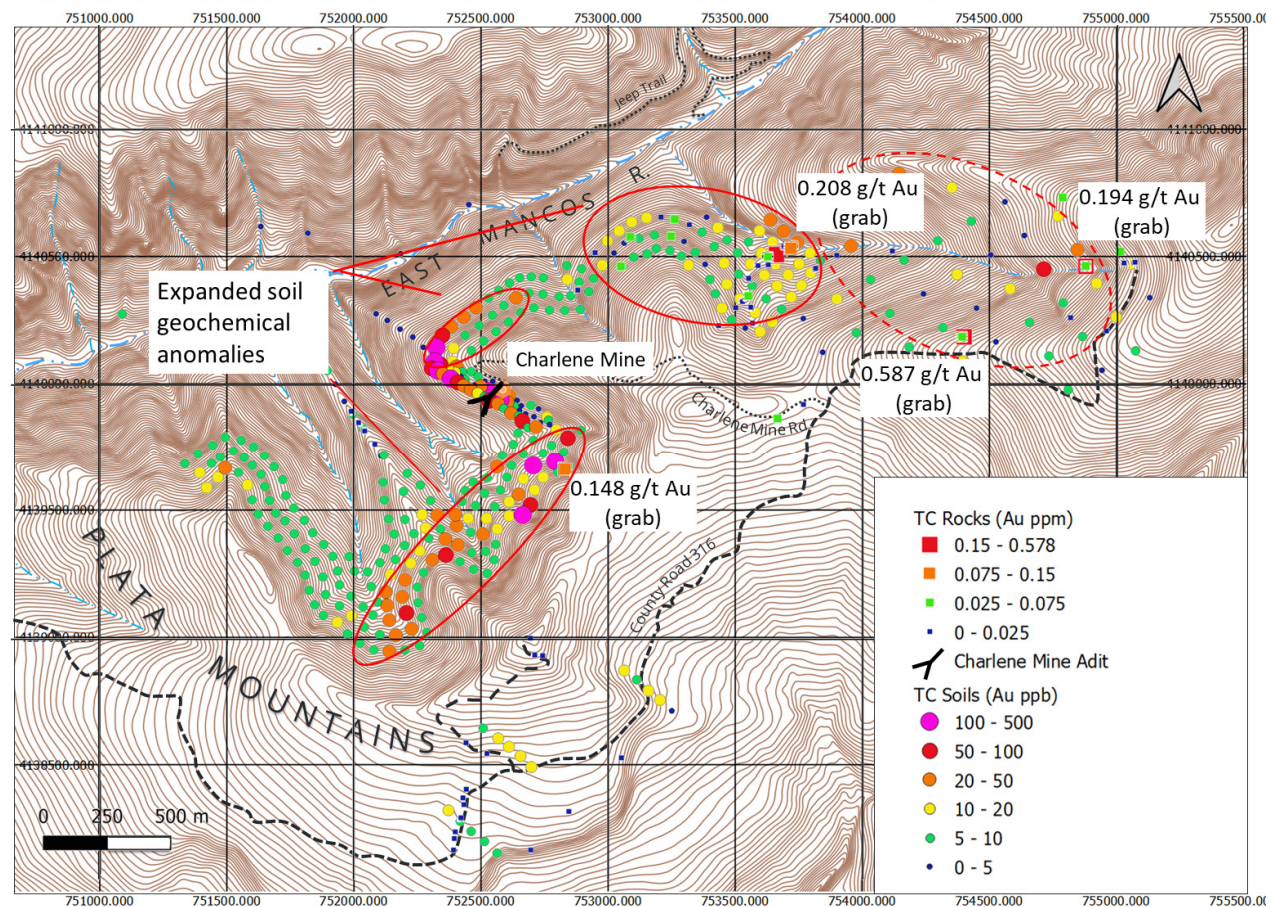
On March 10, 2021, the Company reported the results of the surface exploration program at the Twin Canyon Gold Project.

The program expanded the size of the gold in soil anomaly footprint to over 3,000 meters along the prospective Junction Creek Sandstone. The anomalous values range from 10 ppb – 460 ppb gold. Limited sampling of both the stratigraphically lower Entrada, and stratigraphically higher Dakota, sandstones returned weakly anomalous gold values opening up two new prospective units with potential to host gold mineralization. In light of the successful expansion of the soil geochemical anomalies, Alianza had commenced permitting an initial drill program to test the extent of gold mineralization in the Junction Creek Sandstone and other targets that may be identified.

An underground structural mapping and sampling program was also completed and revealed that two types of black bitumen veins and fracture fills along with resistant brown-coloured shears are associated with gold mineralization. Gold-bearing veins, fracture fills and shears dominantly strike north-east and dip to the south east. This orientation is approximately orthogonal to the axis of an anticline centred over Twin Canyon. These types of mineralized veins returned 1.15 – 5.66 g/t gold from grab samples, while the immediate wall rock surrounding them consisting of disseminated bitumen-spotted sandstone and hard brown concretions also returned highly anomalous values ranging from 0.52 – 6.28 g/t gold. A sample of white, resistant deformation bands and wall rock with a north-west strike parallel to the strike of the anticline returned 1.45 g/t gold.

Alianza launched the 2020 fall program to follow up the successful first field program at Twin Canyon. Highlights of that work included expansion of the property to over four square kilometres, definition of a large gold in soil anomaly ranging from 20 – 460 ppb gold and measuring over 1,900 metres long by 100 metres wide, and the discovery of new areas of gold mineralization through limited prospecting. Results included 0.208 g/t gold in a grab sample of bitumen-spotted altered Junction Creek Sandstone.

Gold mineralization occurs at Twin Canyon in areas where the host sandstone unit is bleached and spotted with bitumen, with small amounts of limonite after pyrite. Optical and microprobe work carried out on mineralized samples indicate a direct gold – bitumen association raising the novel possibility that the mineralizing process at Twin Canyon is related to those associated with petroleum basin development. A small underground gold mine (the Charlene Mine) operated at Twin Canyon dating back to the mid-1950s. Historical sampling of the underground workings has returned grab samples ranging from 0.1 to 15.77 g/t gold. Twenty-eight historical channel samples 1.5 to 10 metres in length were anomalous in gold, eight of which exceeded 2 g/t gold (including a highlight of 8.1 g/t gold over 3 metres).



Charlene Mine Montezuma County, Colorado Structure Map

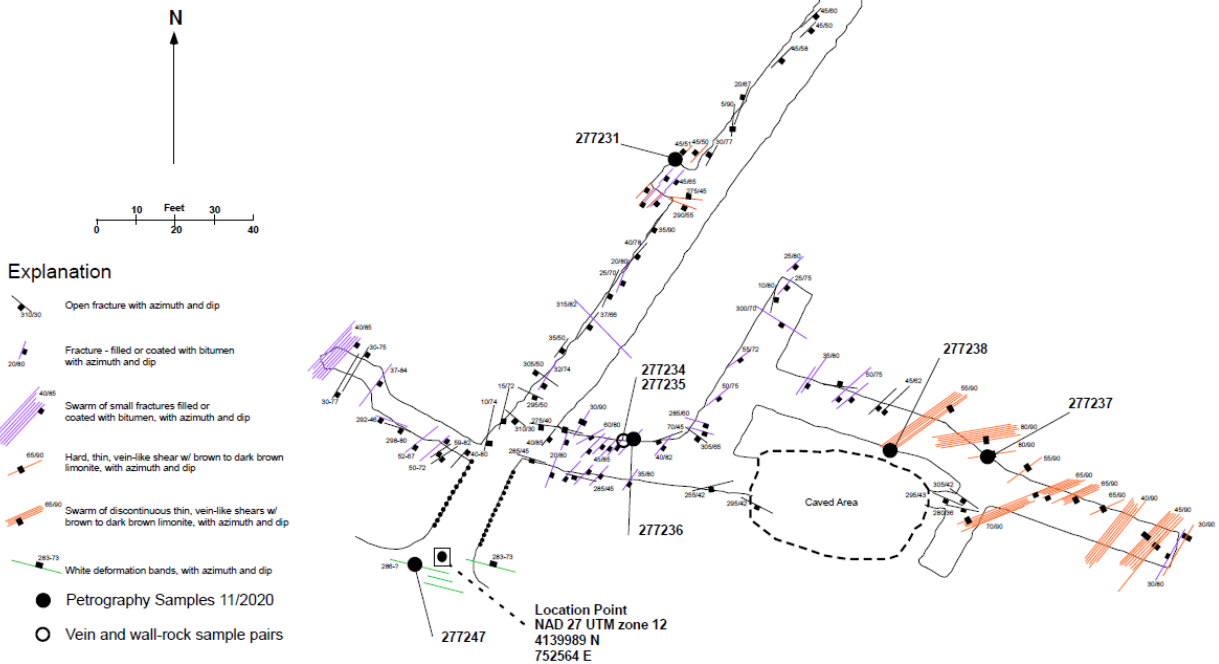


Figure 2: Plan map of 2020 underground sampling and structural mapping

Twin Canyon – Charlene Structural Mapping – Grab Sample Results.

Sample #	Gold g/t	Description
228408	4.50	bitumen vein type 1
228410	0.952	wall rock - bitumen vein type 1
277231	0.861	wall rock - hard brown shear
277232	2.22	hard brown concretion
277233	1.465	wall rock - bitumen vein type 1
277234	5.66	bitumen vein type 1
277235	6.28	wall rock - bitumen vein type 1
277236	3.86	wall rock - bitumen vein type 2
277237	0.518	wall rock - hard brown shear
277238	3.03	wall rock and shear - hard brown shear
277247	1.445	white deformation bands w/ wall rock
277248	0.52	wall rock - bitumen vein type 1
277249	1.145	wall rock - bitumen vein type 1 & 2

ii. Klondike, Colorado, USA

On June 15, 2021, the Company and Imperial X PLC announced that the two companies struck a Strategic Alliance (the “Strategic Alliance”) to explore for copper deposits in the United States. This Strategic Alliance focuses on the identification, acquisition and advancement of copper projects in the southwestern US states of Arizona, Colorado, New Mexico and Utah. Together, the two companies intend to identify new copper exploration opportunities to acquire and advance with the intent of finding a partner to further the projects. Imperial X PLC changed its name to Cloudbreak Discovery PLC (“Cloudbreak”).

On July 15, 2021, the Company and Cloudbreak announced that the acquisition of the first project generated from their newly formed Strategic Alliance. The Klondike Property, located in Colorado, consists of 72 Bureau of Land Management (BLM) claims and a State of Colorado Exploration Permit with an exclusive right to a State Lease.

The Klondike project is located approximately 25 km south of Naturita, Colorado. This property lies within the Paradox Copper Belt, which includes the producing Lisbon Valley Copper Mine. There are numerous historical copper occurrences that have been identified throughout the district; however, many of these have not been explored using modern exploration techniques.

At Klondike, documented copper exploration ceased in the 1960s with subsequent exploration targeting uranium during the 1970s. Previous workers reported high-grade copper mineralization highlighted by results of 6.3% copper and 23.3 g/t silver in outcrop. In addition to its high-grade potential, disseminated copper-silver mineralization has been observed which may be amenable to modern open pit mining with Solvent Extraction Electro Winning (SXEW) processing similar to the Lisbon Valley Mine. Sedimentary-hosted copper deposits are an important contributor to world copper production, accounting for more than 20% of the world’s copper supply annually.

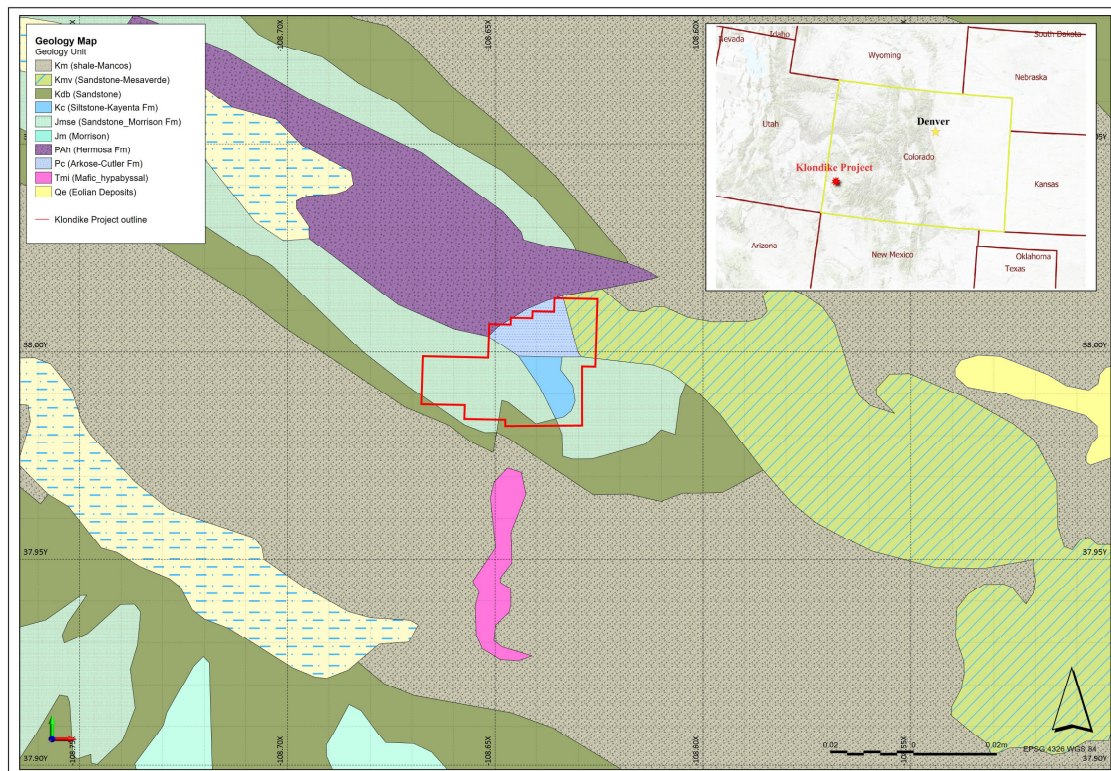


Figure 3: Klondike Property Location Map

Klondike is located at the southeast end of a gypsum salt anticline in a similar structural setting as Lisbon Valley. Copper mineralization occurs in bleached and altered, porous and permeable, sandstone units adjacent to small graben-bounding normal faults. Copper mineralization in outcrop includes malachite, azurite, chalcocite and black copper oxides.

Table 1 - Klondike prospect, samples 1999 JPT assays by Intertek Bondar Clegg # R99-10390.0 and #R99-10389.0

Sample number	Ag ppm	Cu ppm	Cu %	Pb ppm	Zn ppm	As ppm	Co ppm	Ba ppm	Cr ppm	V ppm
K 9	0.3		1.3	86	19	50	1	182	380	54
K 10	3.2		2.3	257	77	8	11	567	36	1950
K 11	16.7	5119		50	56	45	1	>2000	254	206
K 13	4.5	5137		43	27	<5	9	>2000	231	46
K 14	23.3		6.3	790	82	129	29	>2000	382	770
K 16	0.8	2442		21	31	<5	2	426	574	103
K 17	28.5	4295		34	52	25	4	268	131	96
K 18	85.4	3282		32	29	20	2	563	253	1590
K 19	<0.2		4.1	357	88	<5	68	1104	262	959
K 20	<0.2	1151		161	36	<5	9	644	187	612
K 21	3.7	7342		23	23	<5	5	1092	210	97
K 22	<0.2	113		15	9	<5	3	840	152	54
K 23	<0.2	603		42	43	6	1	>2000	325	98
K 24	<0.2	73		32	9	7	1	714	145	51
K 25	<0.2	30		33	124	<5	3	466	1412	54

Under the terms of the Strategic Alliance, either company can introduce projects to the Strategic Alliance. Projects accepted into the Strategic Alliance will be held 50/50 but funding of the initial acquisition and any preliminary work programs will be funded 40% by the introducing partner and 60% by the other party. Project expenditures are determined by committee, consisting of two senior management personnel from each party. Alianza is the operator of alliance projects unless the Alliance steering committee determines, on a case-by-case basis, that Cloudbreak would be a more suitable operator. The initial term of the Alliance is two years and may be extended for an additional two years.

On December 1, 2021, the Company announced the results from a surface sampling program at the Klondike Property.

A reconnaissance program consisting of mapping, stream sediment sampling and rock sampling was undertaken at Klondike to help define drill targets at the West Graben Fault and East Graben Fault targets. Rock sampling and mapping successfully expanded the footprint of both targets and identified a new target named the Northeast Fault. Sampling at the Northeast Fault returned 1.56% copper and 1.4 grams per tonne ("g/t") silver over a 4.6 metre chip sample of bleached, bitumen spotted and altered Jurassic sandstones of the Saltwash member of the Morrison Formation.

Copper mineralized sandstones at the Northeast Fault target can be traced along the fault and outboard from it into the adjacent sandstones over an area 200 metres long by 100 metres wide before becoming obscured beneath gravel cover. Further anomalous copper, including 2.1 metres of 463 ppm copper, was encountered over one kilometre to the northwest where the structure and host strata next appear from beneath the same gravel cover.

Klondike Project Highlights:

- Road accessible, 843 hectare property covering Paradox basin sedimentary package in San Miguel County, Colorado;
- Favourable stratigraphy known to host Sediment-hosted copper deposits in the emerging Paradox Copper Belt similar to the operating Lisbon Valley Mining Complex, 50 kilometres to the northwest;

- Three multi-kilometre scale copper-mineralized target areas at the West Graben, East Graben and Northeast Fault targets; and
- Chip sample results of 1.56% copper and 1.4 g/t silver over 4.6 metres; grab sample results that include; 2.80% copper and 37.8 g/t silver, 1.53% copper and 24.2 g/t silver, 3.79% copper and 1.9 g/t silver.

Figure 1. Klondike Geology and Copper Results Map

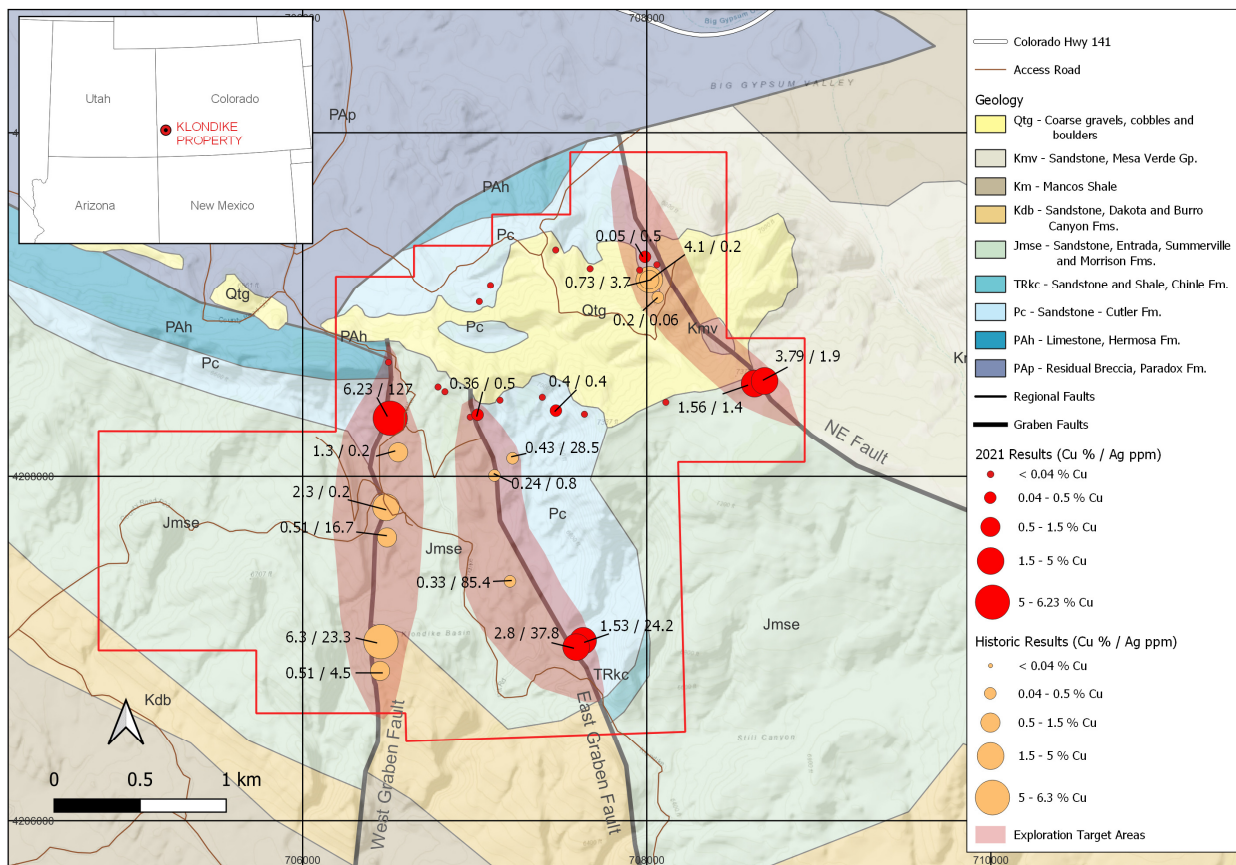


Table 1. Klondike surface rock sampling results.

Sample No.	Cu (ppm)	Cu (%)	Ag (ppm)	Co (ppm)	Pb (ppm)	Zn (ppm)	As (ppm)	V (ppm)	Type	Target
569596	3560	0.36	<0.5	1	7	16	11	156	Float	EGF
569597	66		<0.5	1	8	10	2.5	17	Grab	EGF
569598	21		<0.5	1	9	43	15	36	Grab	EGF
569601	75		<0.5	2	53	58	14	167	Grab	EGF
569602	138	0.01	<0.5	2	35	199	31	88	Grab	EGF
569634	28000	2.80	37.8	7	139	31	11	1175	Grab	EGF
569635	15250	1.53	24.2	11	196	34	15	1300	Grab	EGF
569636	37900	3.79	1.9	12	38	367	205	30	Grab	NEF
569637	15550	1.56	1.4	1	15	12	11	40	Chip (4.6m)	NEF
569640	463	0.04	<0.5	3	66	22	2.5	75	Chip (2.1m)	NEF
569641	56		<0.5	1	5	10	2.5	34	Chip (2.4m)	NEF
569642	20		<0.5	4	6	55	2.5	35	Grab	NEF
569643	13		<0.5	3	6	64	2.5	23	Grab	WGF
569644	18		<0.5	1	5	7	2.5	16	Grab	
569645	18		<0.5	7	34	326	38	13	Grab	
569646	11		<0.5	2	30	594	49	18	Grab	
569647	8		<0.5	1	8	13	2.5	39	Grab	
569648	5		<0.5	0.5	7	10	5	49	Grab	
569649	4010	0.40	4.5	63	3700	144	99	576	Select	
569651	27		<0.5	2	40	51	2.5	17	Grab	
680154	13		<0.5	2	15	26	78	48	Grab	WGF
680156	62300	6.23	127	13	73	116	8	887	Select	WGF

EGF: East Graben Fault, WGF: West Graben Fault, NEF: Northeast Fault

Of the samples reported from a limited historical prospecting and mapping program, 11 out of 15 returned assays ranging from 0.12 to 6.3% copper and below detection to 85.4 g/t silver. Additionally, disseminated copper-silver mineralization has also been identified in outcropping sandstones of Jurassic and Permian age. Sampling completed during the current program further defined copper silver mineralization along the West and East Graben Fault targets including: 2.80% copper and 37.8 g/t silver, 1.53% copper and 24.2 g/t silver and 6.23% copper and 127 g/t silver.

The project is road accessible year-round, traveling two kilometres of gravel road from paved highway. The project is comprised of 76 mining claims on Federal mineral rights managed by the BLM, in addition to an Exploration Permit and an exclusive right to a State lease from the State of Colorado.

On December 7, 2021, the Company and Cloudbreak announced the optioning of their first project to Allied Copper Corp. ("Allied"), subject to TSX Venture Exchange approval.

Klondike Option Agreement Highlights:

- Allied will incur an aggregate of \$4,750,000 in exploration expenditures on the property, with at least \$500,000 to be spent prior to the first anniversary of the closing date.
- Allied will issue 7,000,000 common shares and make an aggregate of \$400,000 in cash payments to the Strategic Alliance over a three-year period.
- Upon completion of these option agreement obligations, the Strategic Alliance will transfer 100% interest in the Klondike Property to Allied. Allied will also issue 3,000,000 warrants exercisable for a three year term at a price equal to the 10-day VWAP of Allied's common shares at the time of the issuance.
- The Strategic Alliance will retain a 2% net smelter royalty which is subject to a buy down provision where Allied may, at its discretion, repurchase half of the royalty for \$1,500,000 within 30 days of commercial production.

If Allied files on SEDAR an NI 43-101 technical report establishing the existence of a resource on any portion of the Klondike Property of at least 50,000,000 tonnes of either copper or copper equivalent at a

minimum cut-off grade of 0.50% copper or copper equivalent and categorized as a combination of inferred resources, indicated resources and measured resources, then Allied will also issue a further 3,000,000 warrants exercisable for a three year term at a price equal to the greater of (i) \$0.23 and (ii) the 10-day VWAP of Allied's common shares at the time of the issuance.

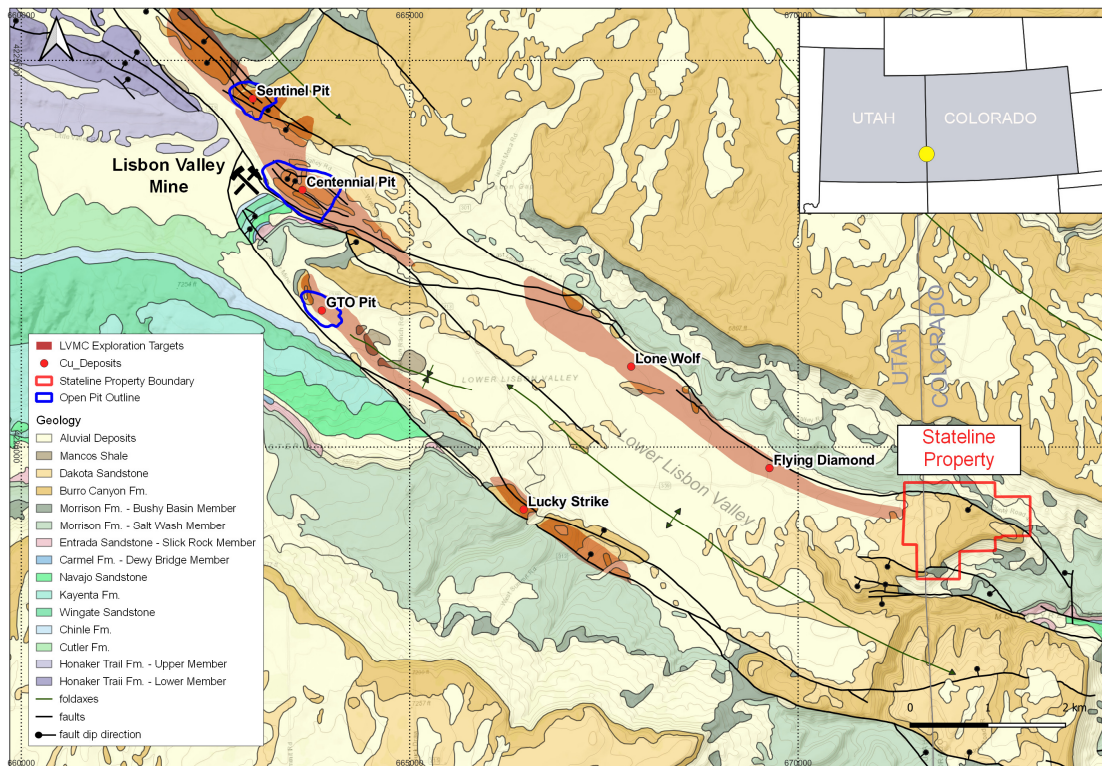
iii. Stateline, Colorado, USA

On November 29, 2021, the Company and Cloudbreak (the "Alliance") announced the acquisition of the Stateline Property ("Stateline"), located in Colorado and Utah, consisting of 22 unpatented mining claims acquired from local prospectors.

The Stateline property is located approximately 40 kilometres southwest of Naturita, Colorado, covering the state boundary between Utah and Colorado at the southeast end of the Lisbon Valley. This property lies within the Paradox Copper Belt, which includes the producing LVMC. There are numerous historical copper occurrences that have been identified throughout the belt, however, many of these have not been explored using modern exploration techniques.

At Stateline, historical exploration was conducted as part of the regional programs associated with the LVMC. Previous explorers reported copper mineralization highlighted by results of 1.6% copper and 1.7 g/t silver in outcrop. Mineralization visible in outcrop occurs as disseminated malachite, which may be amenable to modern open pit mining with Solvent Extraction Electro Winning ("SXEW") processing similar to the LVMC. The mineralization noted to date is interpreted to be the southeast extension of the Flying Diamond mineralization, which is a current target of interest associated with the Lisbon Valley Mining Complex.

Figure 1. Stateline Property Location and Regional Geology Plan Map



Stateline is located adjacent to a northwest trending graben bounding fault near the southeast terminus of the Paradox Basin salt-cored anticline in a similar structural and stratigraphic setting as the LVMC. Copper mineralization occurs in bleached and altered, permeable sandstone units adjacent to the faults. Copper mineralization in outcrop includes malachite, azurite, chalcocite and black copper oxides.

Historical surface sampling of mineralized outcrops has yielded assay results up to 1.6% copper and 1.7 g/t silver and 0.45% copper and 2.1 g/t silver. Disseminated copper-silver mineralization has also been identified in several outcropping sandstones in other stratigraphic positions. Both styles of mineralization will be investigated in upcoming work programs with the goal of refining drill targets in these units. Initial work will include detailed geological mapping, soil and rock sampling, and geophysics.

The project is road accessible year-round, via a network of roads through the valley, including those supporting access to the LVMC. The project is comprised of 22 mining claims on Federal mineral rights managed by the BLM. Ground covered by the current claims was at one time part of the Lisbon Valley Mining Complex claim package.

The Stateline project was purchased from the underlying vendors for a USD\$20,000 cash payment and a further USD\$40,000 payment in the form of cash and/or shares.

iv. Horsethief, Nevada, USA

The Horsethief property was acquired from Sandstorm Gold Ltd. ("Sandstorm") in January 2015 and consists of 30 claims located in Lincoln County, northeast of Pioche. The exploration target on this property is Carlin style gold mineralization. A 2% NSR is payable to Nevada Eagle Resources LLC ("NER") from production from some claims on the property and a 1% NSR is payable to Sandstorm from all the claims on the property.

In August 2020, the Company, with the funding provided by its partner Hochschild Mining US Inc. ("Hochschild"), completed a ten-hole reverse circulation drilling program on the Horsethief property.

On August 6, 2020, the Company reported the results of the first three holes where they collared in Ordovician limestone or dolomite and were drilled deep enough to test Cambrian limestones and dolostones. Anomalous gold values were intersected in the upper sections of 20HT-001 and 003 predominantly from intervals of silicification, jasperoid, hematitic brecciation, and karst or fault fill within limestones.

On September 17, 2020, the Company announced the gold assays of the next three holes where they continued to confirm the presence of favorable host stratigraphy, alteration, and/or anomalous gold mineralization at the Horsethief South (20HT-004 and 005) and the Mustang (20HT-006) targets. Hole 20HT-004 was collared on the west flank of the Horsethief South target in what appears now to be a fault-block of limestone and dolostone. Very little alteration or oxidization was noted and no anomalous gold results were returned. Hole 20HT-005 was collared in the northern portion of the Horsethief South target, drilled at -45 degrees to the southeast. The bottom of the hole intersected 85.3 metres of altered and oxidized limestone and dolostone prior to the hole being terminated in a void at 183 metres. The section is anomalous in gold and appeared to be strengthening with depth. The strongest intercept of 3 metres of 0.141 g/t Au occurs within 20 metres of the end of the hole.

Hole 20HT-006 was collared in volcanic rocks at the Mustang Target, which lies at depth where it was postulated that the prospective carbonate rocks may lie unconformably beneath younger volcanic rocks. This hole confirmed this relationship, intersecting limestone at a depth of 233.2 metres. From 289.6 metres to the end of the hole at 367.3 metres (totalling 77.7 metres), anomalous gold values occur within limestone and siltstone that is altered with patchy weak decalcification and silicification, and mineralized with zones of disseminated pyrite and weak oxidation.

On October 22, 2020, the Company announced the gold results for the final four holes. HT20-009 at the Stallion target yielded a 76-metre intersection from surface of anomalous gold results up to 0.185 g/t from individual 1.5 metre samples. Anomalous gold results are associated with moderate to strong jasperoid development within the carbonate host rocks. One additional hole at the Stallion, one at the Mustang and one at the Thoroughbred target all intersected variable altered carbonate rocks with only spotty anomalous gold results.

On November 20, 2020, Hochschild terminated the earn-in on the Horsethief project. Thus, the Company retains 100% interest in the Horsethief project.

During the option period, Hochschild had forwarded a total of \$1,601,766 (US\$1,200,814) for the Horsethief property.

v. BP & Bellview, Nevada, USA

The Bellview property, acquired from Sandstorm in January 2015, is located in White Pine County, 85 km south of Elko, Nevada and 13 km north of the Bald Mountain Gold Mine on the southern extension of the Carlin Trend. Bellview features a geological setting prospective for sediment-hosted gold mineralization. Work by a previous operator identified stratigraphic targets similar to the geologic setting observed at Bald Mountain. Targets are primarily defined by gold-in-soil geochemical anomalies and gold-bearing silicified jasperoid breccias in stratigraphy recognized regionally and at the Bald Mountain Mine to host gold mineralization. Upon production from the property, some of the claims on the property have a 2% NSR to Fronteer Development Group Inc. with a 1% NSR to Sandstorm, while the remaining claims have a 1% NSR to Sandstorm.

The BP property, acquired from Almaden Minerals Ltd. ("Almaden") in June 2013, is located in Elko County, 57 km south of Carlin, Nevada and 41 km northwest of the Bald Mountain Mine. The property has had little previous gold exploration prior to a reconnaissance program in 2010 that identified gold-bearing jasperoid and anomalous gold and pathfinder geochemistry on surface. Alianza conducted a mapping and prospecting program in 2017 that identified potential structural conduits for mineralizing fluid flow as evidenced by anomalous pathfinder geochemistry and the presence of barite, clay alteration and limonite staining near the intersections of prominent structures. Additional evidence of favourable structural setting is seen in the eastern portion of the property where repetition of the stratigraphy suggests a series of northeast trending structures. Significantly, new jasperoid occurrences were identified along the aforementioned structures in proximity to the projected intersection with northwest trending graben structures. Jasperoids are elevated in gold and pathfinder geochemistry, including arsenic, barium, mercury, molybdenum and antimony. Almaden retains a 2% NSR royalty on future production on this property.

In 2019, the Company completed mapping, prospecting and stratigraphic studies at these two properties, as well as a magnetics survey at Bellview. The work performed were funded by Hochschild under option agreements where Hochschild terminated in November 2019 and the Company retains 100% interest in both the Bellview and BP properties.

vi. East Walker, Nevada, USA

The East Walker property, acquired from Sandstorm in January 2015, is located in Lyon County, west of Hawthorne. The geology is prospective for high-sulphidation epithermal gold mineralization. Outcrop mapping expanded the area of clay-silica alteration, which remains open to the north and south, to at least 900 by 600 metres in size. Geochemical results and visual observations indicate significant leaching, but two areas were chip sampled approximately 70 metres apart, returning 20 metres averaging 1.38 g/t Au and 23.1 metres averaging 0.49g/t Au. The system appears to consist of steeply east-west oriented structures. Limited prior drilling (shallow, vertical holes dating back to the mid 1980's) has not tested these high angle structures.

A 2% NSR is payable to NER from production from some claims on the property and a 1% NSR is payable to Sandstorm from all the claims on the property.

vii. Ashby, Nevada, USA

The Ashby property, acquired from Sandstorm in January 2015, is located in Mineral County, near Hawthorne. The claims cover mesothermal gold-bearing quartz veins within the Jurassic Dunlap Formation. Historic production of 9,000 ounces is reported from the 1930's and several hundred ounces per year during the 1980's and 1990's. Vein widths range from 15 centimeters to 1.8 meters and gold grades are reported from sub-gram to multi-ounce intervals. The property has had very limited modern exploration.

A 2% NSR is payable to NER and a 1% NSR is payable to Sandstorm on production from the property.

On August 2, 2017, the Company signed an exploration lease agreement to lease the Ashby gold property to Nevada Canyon Gold Corp. ("Nevada Canyon"). Under the terms of the agreement, Nevada Canyon made a US\$1,000 payment on signing and an annual payment of US\$2,000 and will grant a 2% Net Smelter Royalty ("NSR") on future production from the Lazy 1-3 claims comprising the Ashby property. Nevada Canyon will also be responsible for all claim fees and certain reclamation work to be undertaken on the property. The initial term of the lease is 10 years and can be extended for an additional 20 years.

3(b) Canada

i. Haldane, Yukon Territory, Canada

On March 2, 2018, the Company purchased a 100% interest in the Haldane Property from Equity Exploration Consultants Ltd. ("Equity"). The 7,665 hectare (388 claims) Haldane Property is located 25 km west of Keno City, Yukon Territory, in the western portion of the Keno Hill Silver District.

Phase One Drilling

On October 26, 2020, the Company reported that the Phase One diamond drilling program had commenced at the Haldane property. On December 10, 2020, the Company reported that the Phase One diamond drilling program had been completed at the Haldane property.

On January 28, 2021, the Company reported results from the Phase One diamond drilling program's holes HLD20-18 and HLD20-19 targeting the West Fault.

2020 Significant Drill Intersections – West Fault Target

Hole	From (m)	To (m)	Core Length (m)	Estimated True Width (m)	Silver (g/t)	Gold (g/t)	Lead (%)	Zinc (%)	Silver-Equivalent (g/t)*
HLD20-18	246.85	248.00	6.80	3.73	96	0.15	0.15	0.73	140
HLD20-19	225.50	226.01	0.51	0.28	226	0.02	4.61	25.90	1347
and	246.85	263.00	16.15	8.72	311	0.11	0.89	1.13	390
including	252.00	260.30	8.30	4.48	444	0.15	1.54	1.34	554
including	257.00	260.30	3.30	1.78	818	0.20	3.47	1.03	980

Analytical values have been rounded.

*Silver-equivalent values are calculated assuming 100% recovery using the formula: $((20 * \text{silver (g/t)} / 31.104) + (1650 * \text{gold (g/t)} / 31.104) + (0.90 * 2204 * \text{lead \%}/100) + (1.10 * 2204 * \text{zinc \%}/100)) * (31.1035 / 20)$. Metal price assumptions are US\$20/oz silver, US\$1650/oz gold, US\$0.90/lb lead and US\$1.10/lb zinc.

The West Fault Complex is traced for over 650 metres and can be interpreted to extend to 1.1 kilometres in length before merging with the 2.2 kilometre-long Main Zone structure as interpreted from surface geology and historical drilling. Drilling to date has successfully intersected the West Fault over a fraction of this strike length and the target remains open in all directions. The high-grade results from HLD20-19 now allow for additional vectoring along possible high-grade ore-shoot orientations.

The 2020 program at the West Fault was designed to follow up on a 2011 intersection of 320 g/t silver, 1.12 g/t gold, 0.67% lead and 0.86% zinc over 2.20 metres obtained by a prior operator. HLD20-19 intersected 16.15 metres of heavily broken and faulted mineralization in the vein structure and adjacent footwall crackle breccia. HLD20-19 intersected the target structure 39 metres along strike and 55 metres down dip of the 2011 intersection. Much of the structure is heavily fractured and broken, but fragments of sulphide vein (galena, sphalerite +/- sulphosalts) in an iron-manganese carbonate matrix are evident. This is most apparent in a 4.48 metres (estimated true width) intersection averaging 444 g/t silver, 1.54% lead, and 1.34% zinc.

HLD20-18 tested the West Fault 18 metres along strike and 27 metres down dip of the 2011 hole. HLD20-18 returned 96 g/t silver, 0.15% lead and 0.73% zinc over 3.73 metres (estimated true width) from a well-defined structure dominated by iron-manganese carbonate gangue.

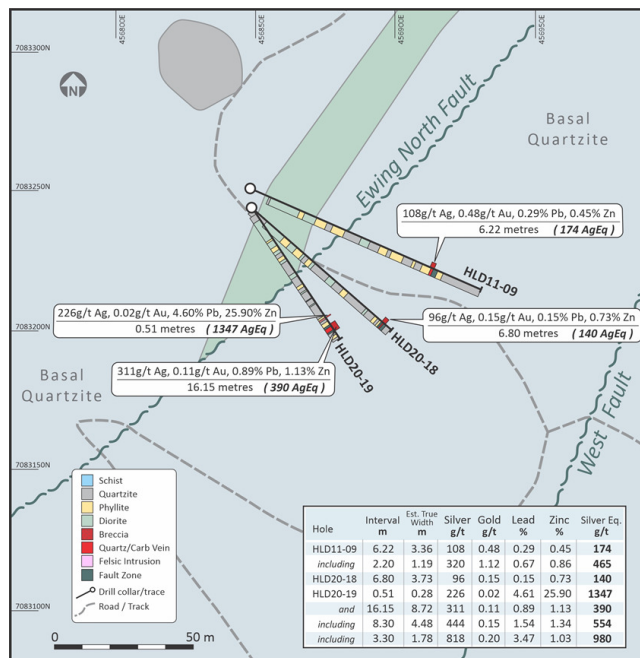


Figure 4: West Fault Plan View

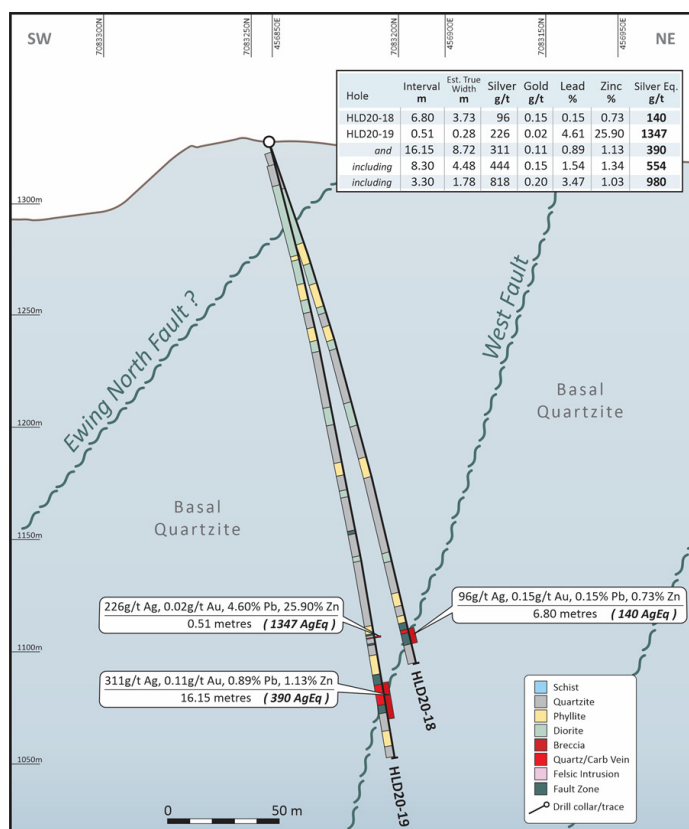


Figure 5: West Fault - HLD20-18 and -19 Cross Section – View looking 050°, +/- 25 metres

On February 16, 2021, the Company reported final results from the Phase One diamond drilling program's holes HLD20-20 and HLD20-21 targeting the Middlecoff Vein.

2020 Significant Drill Intersections – Middlecoff Target

Hole	From (m)	To (m)	Core Length (m)	Estimated True Width (m)	Silver (g/t)	Gold (g/t)	Lead (%)	Zinc (%)	Silver-Equivalent (g/t)*
HLD20-21	180.62	187.37	6.75	3.00	81	0.14	0.40	0.41	120
including	186.48	187.37	0.89	0.40	342	0.19	2.35	1.20	476

Analytical values have been rounded.

*Silver-equivalent values are calculated assuming 100% recovery using the formula: $((20 * \text{silver (g/t)} / 31.104) + (1650 * \text{gold (g/t)} / 31.104) + (0.90 * 2204 * \text{lead \%}/100) + (1.10 * 2204 * \text{zinc \%}/100)) * (31.1035 / 20)$. Metal price assumptions are US\$20/oz silver, US\$1650/oz gold, US\$0.90/lb lead and US\$1.10/lb zinc.

The 2020 program at Middlecoff was designed to follow up a 2019 intersection of 455 g/t silver over 1 metre. HLD20-21 tested the Middlecoff vein 30 metres south of the 2019 holes and intersected heavily oxidized and broken fault-vein material with fragments of sulphide vein (galena, sphalerite +/- sulphosalts). The entire vein is approximately 6.75 metres in width (3.00 metres estimated true width), with 81 g/t silver, 0.14 g/t gold, 0.40% lead and 0.41% zinc (120 g/t silver-equivalent). The higher-grade portion of the vein was 0.89 metre wide (0.40 metre estimated true width), averaging 342 g/t silver, 2.35% lead and 1.20% zinc (476 g/t silver-equivalent*), and consisted of grey fault breccia cemented by beige manganese carbonate and orange oxide material. The intersection appears to be bounded on either side by a quartz breccia which may be acting to constrain the vein in this area. HLD20-21 was drilled from the same pad as HLD20-20, which was terminated at 59 metres prior to the target depth due to excessive

deviation. Both holes intersected narrow silver-bearing veins in the footwall of the Middlecoff mineralization.

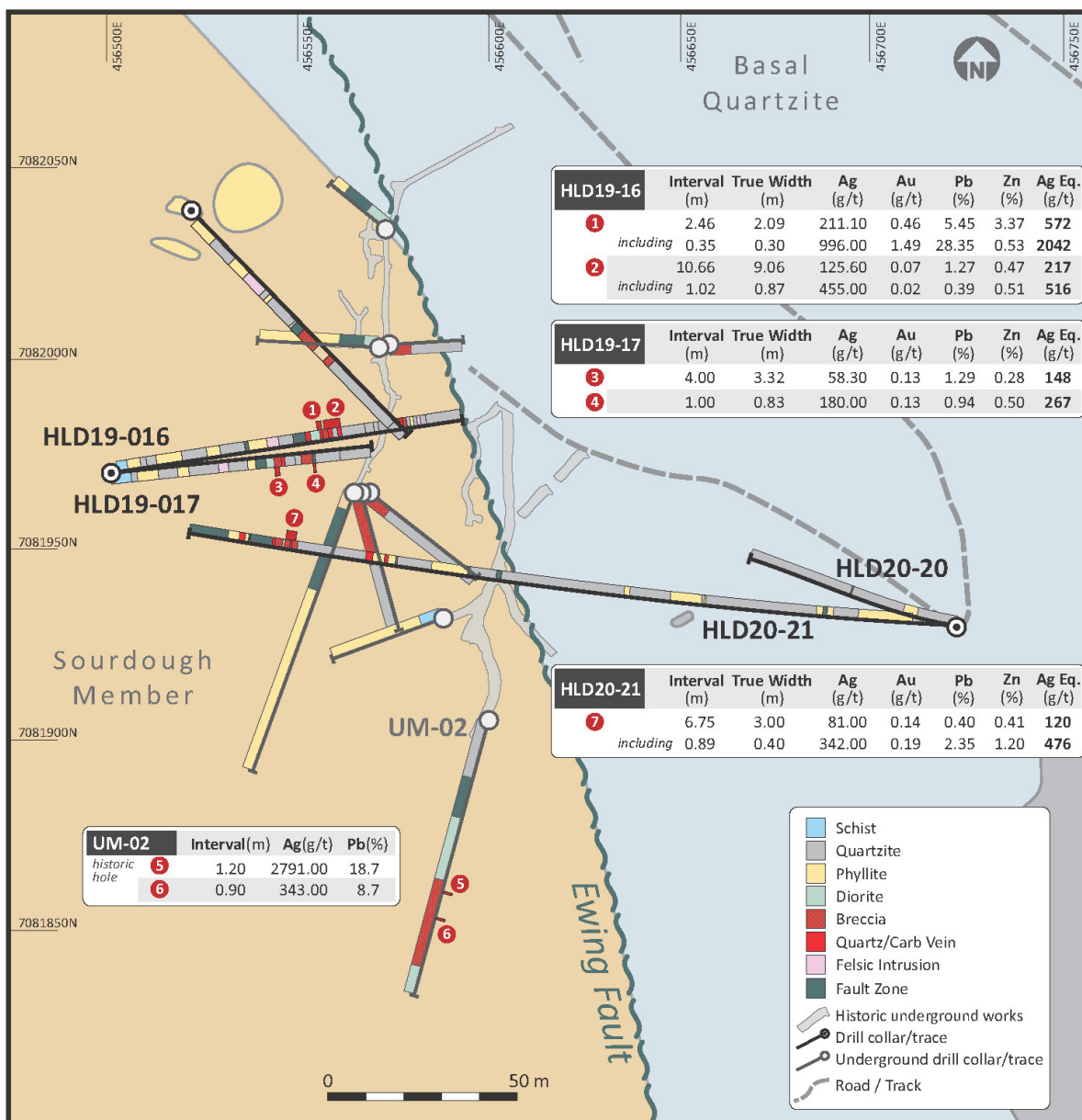


Figure 6: Middlecoff Plan View

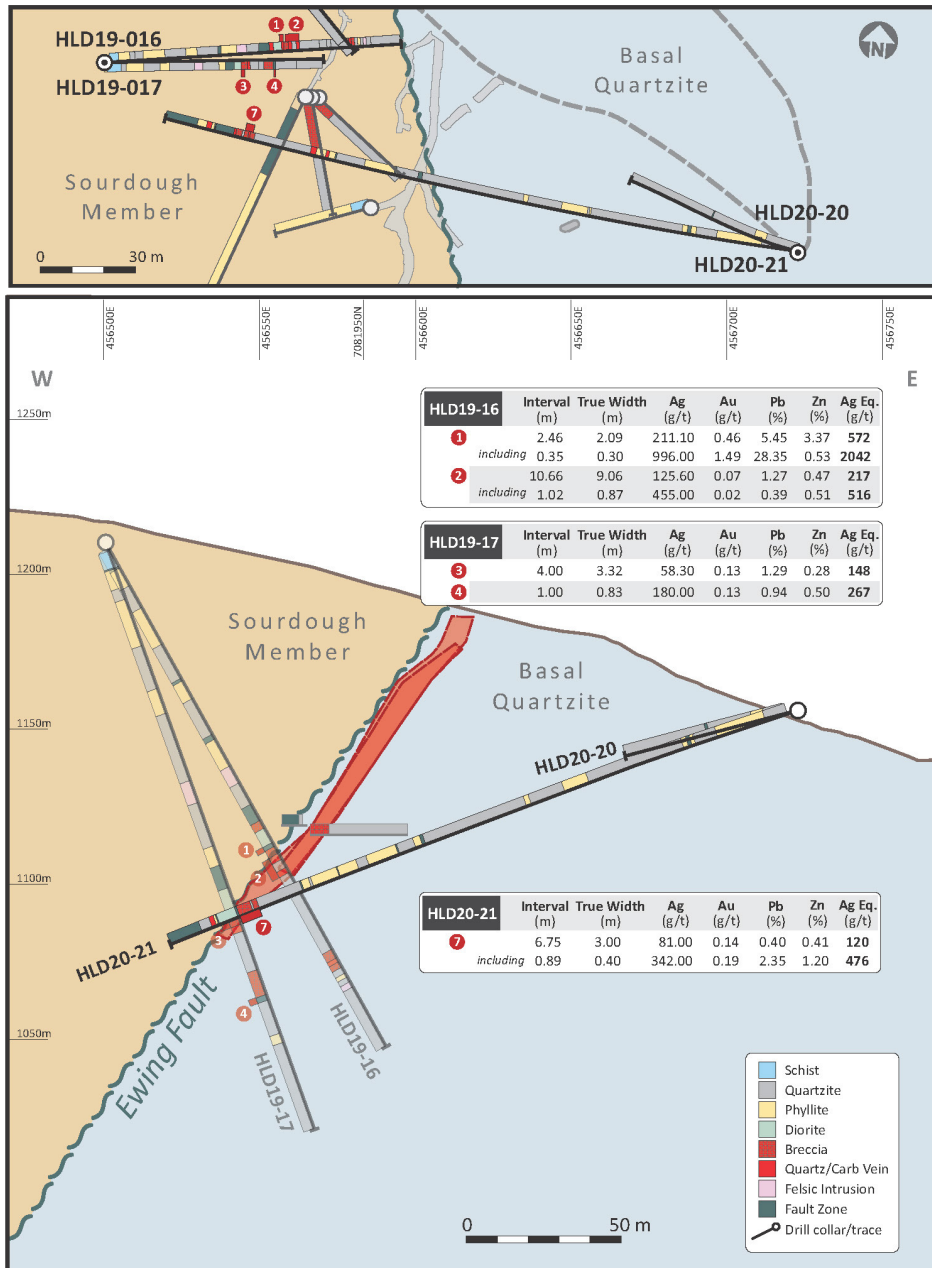


Figure 7: Middlecoff - HLD20-20 and -21 Cross Section – View looking 005°, +/- 30 metres

Phase Two Drilling

On April 29, 2021, the Company reported that the mobilization of equipment for the Phase Two diamond drilling program had commenced with road clearing and camp construction. On May 17, 2021, the Company announced that the Phase Two diamond drilling had commenced. The Phase Two program would systematically follow up on the West Fault result from Phase One drilling, testing along strike and down dip to define possible high-grade shoots associated with the 2020 intersection in HLD20-19.

On July 12, 2021, the Company reported the first analytical results from the 2021 drilling campaign.

The result in HLD21-24 extends the high grade mineralization from HLD20-19 an additional 80 metres to the southwest and down dip. The high-grade nature of this intersection is indicative of the potential of this target and other targets at Haldane.

West Fault Target Drill Intercepts from HLD21-24

Hole	Interval (m)	Est True Width (m) ⁽¹⁾	Silver (g/t)	Gold (g/t)	Lead (%)	Zinc (%)	Silver Eq. ⁽²⁾ (g/t)
HLD21-24	5.24 ⁽³⁾	3.14	1351	0.08	2.43	2.91	1542
Including	2.10	1.26	3267	0.11	5.80	7.02	3720

⁽¹⁾ True width of the vein and breccia mineralization is estimated to be 50-70% of the core length intersection. A value of 60% is used for the purposes of reporting.

⁽²⁾ Silver-equivalent values are calculated assuming 100% recovery using the formula: $((20 * \text{silver (g/t)} / 31.1035) + (1650 * \text{gold (g/t)} / 31.1035) + (0.90 * 2204 * \text{lead \%}/100) + (1.10 * 2204 * \text{zinc \%}/100)) * (31.1035 / 20)$. Metal price assumptions are US\$20/oz silver, US\$1650/oz gold, US\$0.90/lb lead and US\$1.10/lb zinc.

⁽³⁾ Core recovery is estimated at 70-75% with the exception of a 0.80 metre section where recovery was zero. A value of zero was assigned to silver, gold, lead and zinc for the section of zero core recovery for the purposes of composite interval calculations.

The West Fault structure in HLD21-24 was intersected over a 13 metre core length of fractured quartzite, fault gouge and brecciation. Mineralization is concentrated within a 2.1 metre section of massive siderite veining with approximately 10% galena and 10% sphalerite as cross cutting veins and masses. A few metres either side of the vein consists of fault gouge, highly fractured and brecciated quartzite with siderite veinlets with 1-2% sphalerite and trace disseminated galena. Recovery throughout the quoted intervals averages approximately 70-75% with the exception of an 80 centimetre interval above the 2.1 metre high grade section, where recovery was zero.

On July 28, 2021, the Company reported that it completed the 2021 Phase Two drilling campaign focusing on the West Fault target. A total of six holes were drilled (1,576.4 metres) with five reaching target depth, intersecting the West Fault structure and associated splays.

On August 18, 2021, the Company announced the result in HLD21-25. HLD21-25 intersected the West Fault structure at 291.5 metres over a core length of 13.38 metres (estimated true width of 8.36 metres), averaging 220.5 g/t silver (325.0 g/t silver-equivalent). Strong siderite/sulphide breccia and veining was intersected at 293.44 metres returning a 6.83 metres (4.27 metres estimated true width) intersection of 363.4 g/t silver (534.2 g/t silver-equivalent). The highest grade interval of 1.6 metres (1.00 metre estimated true width) of 1,107 g/t silver, 3.97% lead and 3.97% zinc (1,485 g/t silver-equivalent) consisted of very strong siderite-galena-sphalerite with trace tetrahedrite in veins and breccia. Siderite/sulphide veining is bounded on both sides by zones of clay-gouge with elevated silver content.

The West Fault intersection in HLD21-25 occurs approximately 25 metres uphole from where the target was modelled to occur and it is now believed that the West Fault is a complex of faults and splays rather than a single discrete fault structure. Narrow structures hosting siderite-galena-sphalerite veins have been intersected above the West Fault mineralization in previous holes (HLD20-19, HLD21-24) and are now thought to represent the upper splay of the West Fault, now referred to as WF2. The WF1 structure, host to the high grade silver mineralization previously released in hole HLD20-19 and HLD21-24, looks to weaken to down dip to the northwest, perhaps stepping over to the WF2 splay in this direction.

HLD21-22 and -23 were drilled to test mineralization 50 metres on strike of HLD20-19 to the southwest. HLD21-22 was lost in a fault at 116.70 metres depth. HLD21-23 successfully intersected the West Fault Vein (WF1); however, recent remobilization of the fault was interpreted to have cut the vein mineralization

off, yielding a 30 centimetres intersection of 145 g/t silver, 0.529 g/t gold, 0.30% lead and 19.3% Zn (925.6 g/t silver-equivalent). It appears that some of the intersection may have been lost as the footwall contact consists of rubble and gouge.

On September 23, 2021, the Company reported the final two holes. Following up on the success in earlier holes, HLD21-26 and HLD21-27 infilled and further extended the West Fault mineralization by 50 metres along strike to the northeast.

West Fault Target Drill Intercepts from HLD21-26 and HLD21-27

Hole	From (m)	To (m)	Interval (m)	Est True Width (m) ⁽¹⁾	Silver (g/t)	Gold (g/t)	Lead (%)	Zinc (%)	Silver Eq. ⁽²⁾ (g/t)
HLD21-26	270.41	275.5	5.09 ⁽³⁾	3.05	205	0.11	1.20	3.13	369
including	270.41	270.96	0.55	0.33	437	0.04	9.99	16.9	1383
HLD21-27	225.00	233.00	8.00 ⁽³⁾	4.80	81.4	0.03	0.16	0.65	113
Including	225.00	225.62	0.62	0.37	342	0.06	0.37	0.49	376

⁽¹⁾ True width of the vein and breccia mineralization is estimated to be 50-70% of the core length intersection. A value of 60% is used for the purposes of reporting HLD21-26, 27.

⁽²⁾ Silver-equivalent values are calculated assuming 100% recovery using the formula: $((20 * \text{silver (g/t)} / 31.1035) + (1650 * \text{gold (g/t)} / 31.1035) + (0.90 * 2204 * \text{lead \%}/100) + (1.10 * 2204 * \text{zinc \%}/100)) * (31.1035 / 20)$. Metal price assumptions are US\$20/oz silver, US\$1650/oz gold, US\$0.90/lb lead and US\$1.10/lb zinc.

⁽³⁾ Core recovery is estimated at 69% for HLD21-26 and 94% for HLD21-27 over the reported intervals.

HLD21-26 intersected the West Fault structure at 268.43 metres over a core length of 15.42 metres (estimated true width of 9.25 metres), exhibiting good strength and width. Strong siderite/sulphide breccia and veining was intersected at 270.41 metres returning a 5.09 metres (3.05 metres estimated true width) intersection of 205 g/t silver (369 g/t silver-equivalent). The highest grade interval of 0.55 metre (0.33 metre estimated true width) of 437 g/t silver, 9.99% lead and 16.9% zinc (1,383 g/t silver-equivalent) consisted of very strong siderite-galena-sphalerite with trace tetrahedrite in veins and breccia. Siderite/sulphide veining is bounded on both sides by zones of clay-gouge with elevated silver content.

HLD21-27 intersected the West Fault structure at 222.40 metres over a core length of 16.75 metres (estimated true width of 10.05 metres). Strong siderite vein and vein breccia with banding open-space fill textures was intersected at 225.00 metres, returning an 8.00 metres (4.80 metres estimated true width) intersection of weakly mineralized material grading 81.4 g/t silver (113 g/t silver-equivalent). This intersection expanded vein mineralization at the West Fault 50 metres to the northeast along strike from HLD20-19 that intersected 8.30 metres (4.48 metres estimated true width) of 444 g/t silver (554 g/t silver-equivalent). Although the vein and vein breccia was wide and consisted of textures associated with productive mineralization, it was moderately to strongly oxidized with remnant sulphides occurring predominantly as disseminated blebs indicating a lower overall original galena and sphalerite content.

Holes HLD21-26 and -27 intersected the upper WF2 vein. Our current interpretation is that a “step over” from the WF1 vein to the WF2 occurs in the vicinity of the HLD21-24 and -25, where the width and grade of the vein is the strongest. The orientation of the step over is not definitive, but one possibility is that it plunges steeply to the southwest in the plane of the West Fault Complex and high-grade shoot geometries could also be aligned in this direction.

Our current level of understanding indicates that stepping out along strike to the southwest and down dip along the structure from HLD21-24 and -25, where our highest grades and thicknesses of veining to date have been intersected, is most prospective. However, the possibility still remains that stronger mineralization may redevelop along strike to the northeast of HLD21-26, and -27 where in excess of 350 metres of structure remains open.

Drill testing to date covers only a fraction of the West Fault Complex target. The current program systematically tested the structure in approximate 50 metre step-outs along strike and down dip of HLD20-19, the first hole at the West Fault to identify high grade silver mineralization over wide intervals, including 8.72 metres (true width) averaging 311 g/t silver, 0.89 g/t gold and 1.13% lead with a higher grade interval of 1.78 metres of 818 g/t silver. Systematic step-outs resulted in additional high grade mineralization in HLD21-24 (3.14 metres averaging 1,351 g/t silver, 2.43% lead, 2.91% zinc including 1.26 metres averaging 3,267 g/t silver, 5.80% lead, 7.02% zinc) and HLD21-25 (363 g/t silver, 1.73% lead and 2.80% zinc over a true width 4.27 metres with a high grade interval of 1,107 g/t silver, 6.98% lead and 3.97% zinc (over 1.00 metre). Silver mineralization has now been intersected in nine holes that pierce the WF1 and WF2 veins over 90 metres of dip direction and 100 metres of strike direction. The West Fault Complex is one of four high-priority silver-lead-zinc-bearing vein drill targets at Haldane.

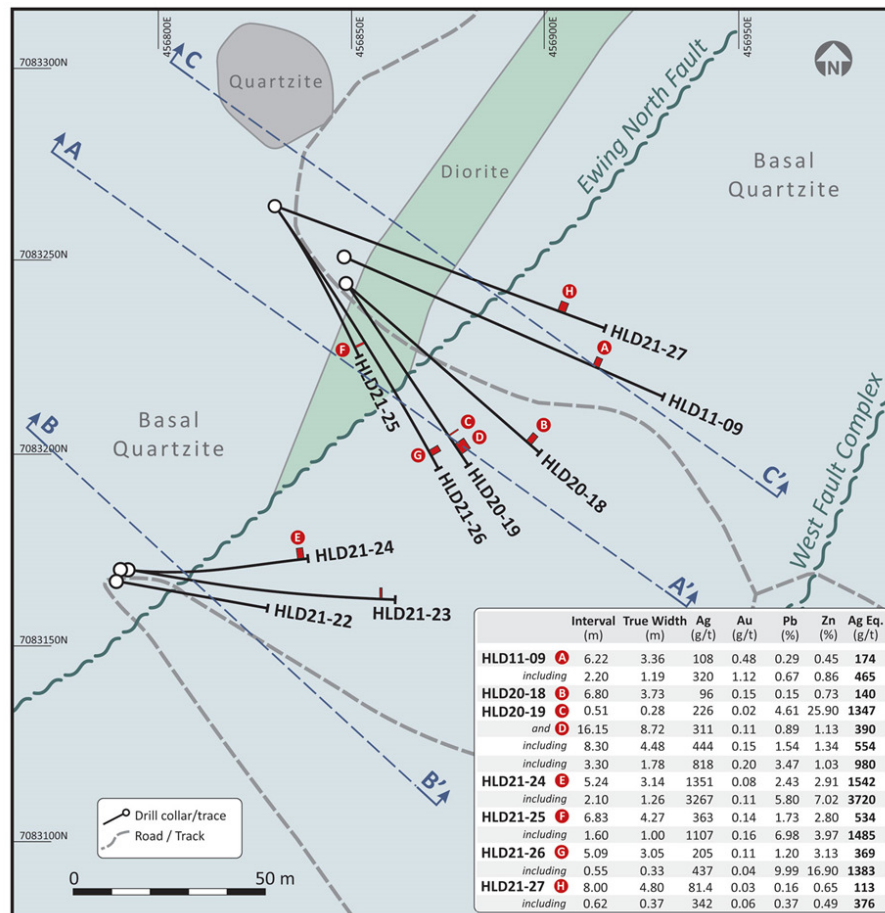


Figure 8. West Fault Complex Plan Map.

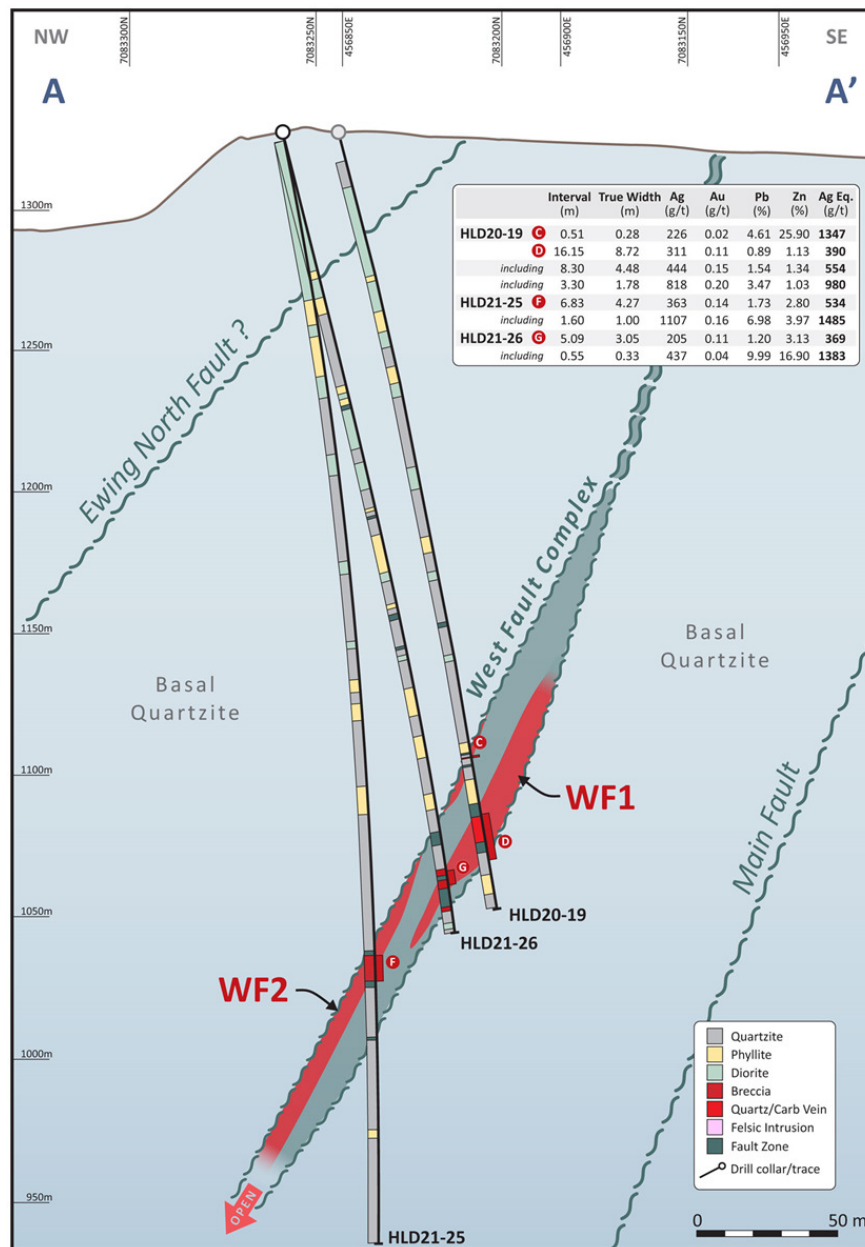


Figure 9. Cross section – West Fault drill holes HLD20-19, HLD21-25 and HLD21-26.

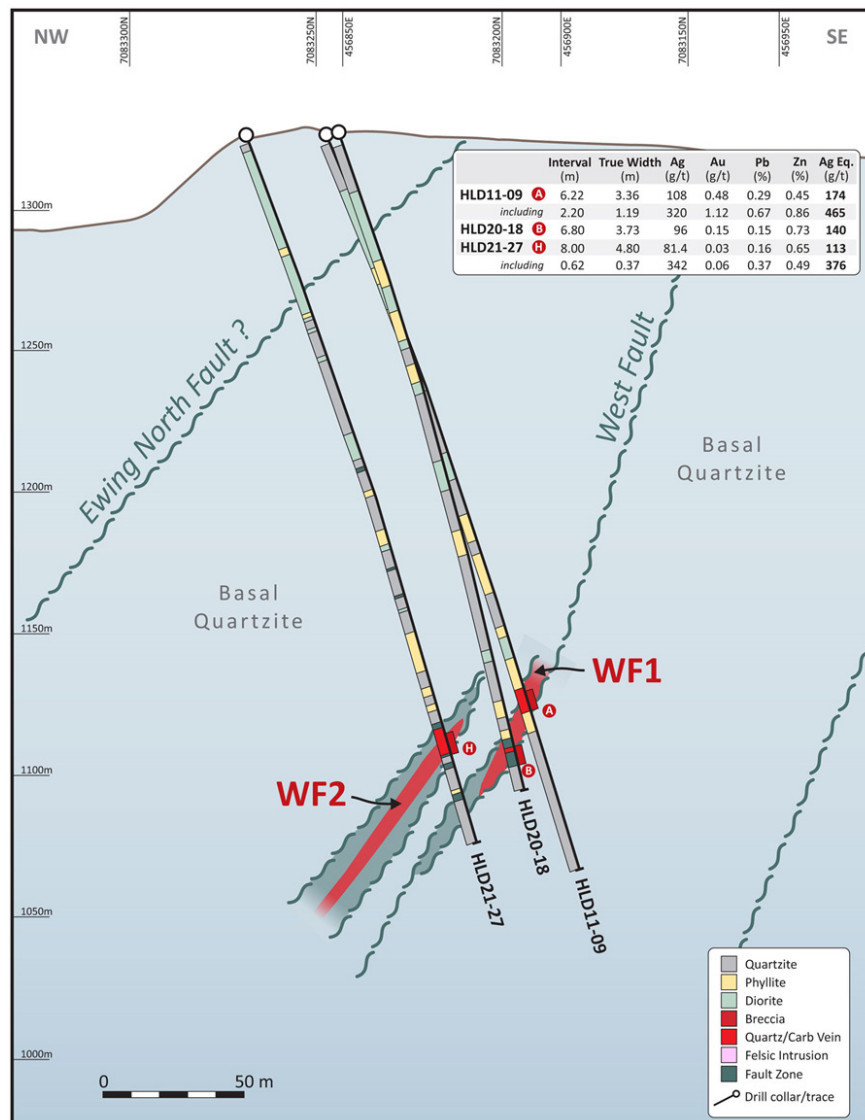


Figure 10. Cross section – West Fault drill hole HLD21-27.

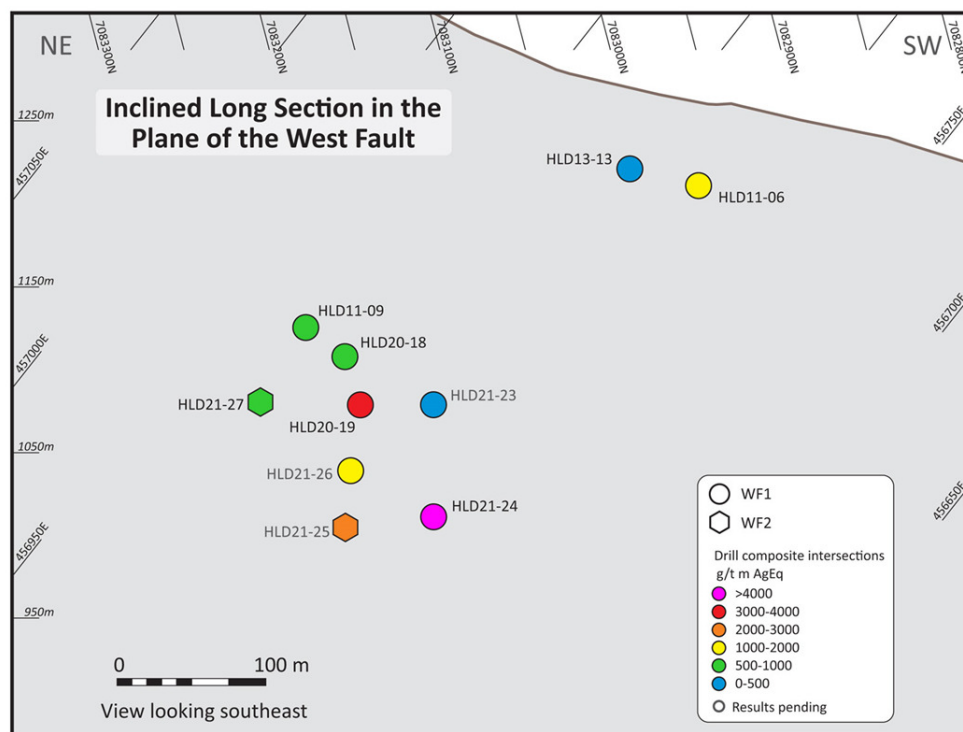


Figure 11. West Fault Inclined Long Section. Long-Section view looking southeast. Section cut in the plane of the West Fault.

ii. KRL, British Columbia, Canada

On September 1, 2018, the Company optioned the KRL Property in British Columbia's prolific Golden Triangle from prospector Bernie Kreft ("Kreft"). Alianza can earn a 100% interest in the property by conducting \$2.25 million in exploration on the property over 5 years, issuing 800,000 shares of Alianza to Mr. Kreft, staged over 5 years, and by making staged cash payments totalling \$250,000 over 4 years. Mr. Kreft is entitled to additional shares issued upon the disclosure of an NI43-101 inferred resource estimate (to a maximum of 350,000 shares). An additional 500,000 shares are to be issued on the commencement of commercial production. Kreft has a 1% NSR royalty on the KRL property. The Company and Kreft are currently negotiating to postpone the \$2.25 million exploration expenditures by two years.

On July 7, 2021, the Company reported that the Company received a Multi-Year Area-Based (MYAB) Mines Act Permit for exploration activities at the KRL Project from the British Columbia Ministry of Mines, Energy and Low Carbon Innovation. This Permit allows for activities including trenching and diamond drilling to be conducted at KRL, located in BC's Golden Triangle, until July 5, 2026. The property lies near the junction of McLymont Creek and the Iskut River, approximately 5 km from the McLymont Creek and Forrest Kerr power generation stations. Road access exists less than 2 km from the property boundary.

iii Tim Property, Yukon Territory, Canada

In 2013, the Company's predecessor, Tarsis Resources Ltd. ("Tarsis") completed a focused work program to re-evaluate a historical zone of silver-lead-zinc rich carbonate replacement mineralization originally exposed by mechanized trenching in 1988. Historical chip sampling across the zone returned 352 g/t silver and 9.12% lead across 4.00 metres. In addition to this exposure, similar mineralization was also reported in adjacent trenches 180 and 250 metres on either side of the central trench. This zone has never been tested with drilling. Tarsis resampled the central trench in 2013, returning 3.7 metres assaying 365 g/t silver and 7.5% lead from a channel sample.

On January 27, 2020, the Company announced that it signed an option agreement with a wholly owned subsidiary of Coeur Mining Inc. ("Coeur") to explore the road-accessible Tim property in southern Yukon. Exploration at Tim property is targeting high-grade silver-lead mineralization similar to that being mined by Coeur at its Silvertip operation, located 12 kilometres south of the Tim property.

Coeur can earn an initial 51% interest in the Tim property by (i) financing \$3.55-million in exploration over five years and (ii) making scheduled cash payments totalling \$275,000 over five years as follows:

Date/Period	Expenditures	Option Payment
On the Effective Date	None	\$10,000 (received)
On or before 1 st anniversary of the Class 1 Notification Date	\$50,000	\$15,000
On or before 2 nd anniversary of the Class 1 Notification Date	\$500,000	\$25,000
On or before 3 rd anniversary of the Class 1 Notification Date	\$500,000	\$50,000
On or before 4 th anniversary of the Class 1 Notification Date	\$1,000,000	\$75,000
On or before 5 th anniversary of the Class 1 Notification Date	\$1,500,000	\$100,000

(*) Class 1 Notification Date is December 16, 2020.

After earning an initial 51% interest in the property, to increase its interest to 80%, Coeur must finance a feasibility study and notify the Company of its intention to develop a commercial mine on the property on or before the eighth anniversary from the date of notification of the Class 1 exploration permit, as well as pay an additional \$300,000 to the Company as follows:

Date/Period	Option Payment
On or before 6 th anniversary of the Class 1 Notification Date	\$100,000
On or before 7 th anniversary of the Class 1 Notification Date	\$100,000
On or before 8 th anniversary of the Class 1 Notification Date	\$100,000

On May 4, 2021, the Company noted that Coeur had commenced an initial exploration program at the Tim project. The program consisted of a SkyTEM airborne geophysical survey and would be followed up by groundwork later.

The SkyTEM airborne geophysical survey was expected to collect magnetic and resistivity data over the concessions to help identify and delineate structural features on the property. It was also expected that these data would be valuable in mapping geology in areas of sparse outcrop. These data would be used to plan subsequent work including mapping, soil geochemical sampling and trenching later this summer.

The 2021 exploration program at Tim was targeting high-grade silver-lead-zinc carbonate replacement mineralization (CRM), similar to that found at Coeur's Silvertip operation.

iii. Yukon Territory, Canada - Others

The Company is assessing the next stages of work for its three other Yukon projects: Goz Creek (zinc-silver in central Yukon), Mor Property (gold-silver-base metal drill intersections in southern Yukon) and White River (high grade gold-silver+copper in southwest Yukon). Management is prioritizing these projects for option and where appropriate, programs to upgrade targets to drill-ready status.

3(c) Peru

The Company continues to market the drill-ready Yanac Copper Project. Several site visits were completed with potential partners who were reviewing the targets generated from work completed by Cliffs Natural Resources Inc. ("Cliffs") under an exploration alliance. Cliffs' work outlined a 900 by 900 metre area of anomalous copper and molybdenum-in-rock geochemistry within a larger area of porphyry-style alteration. Yanac is road accessible and is located 60 km inland from the Pacific coast and within 80 km of port facilities.

On April 28, 2021, the Company reported that it had acquired additional data pertaining to the Company's Yanac Copper Project in Peru.

The data obtained is from a five-hole reverse circulation drill program totalling 1,135 metres conducted in 2005 under a joint-venture between the Japan Oil, Gas, and Metals Corporation (JOGMEC) and Phelps Dodge. One hole from the 2005 program returned 232 metres averaging 0.23% copper and 0.015% molybdenum. Interrogation of the detailed drill log reveals that this hole was drilled largely within phyllic altered rocks leaving the enticing possibility that the potassic core of the system has not been properly tested. The data from the program will be further evaluated and incorporated into the existing database to target follow up drilling.

Work on the property identified a 1.2 by 0.9-kilometre target area consisting of copper-molybdenum soil geochemistry, chargeability and magnetics anomalies. This work was funded through an Alliance between Alianza's predecessor, Estrella Gold and Cliffs Natural Resources in 2011-2014. This defined a target area of porphyry style alteration and mineralization (pyrite-chalcopryrite-copper oxide-molybdenite) surrounded by a halo of quartz-pyrite veining. Chargeability anomalies suggest the porphyry target may extend at depth. A change in corporate direction at Cliffs resulted in termination of the alliance prior to the planned drilling.

The Company is actively seeking a partner to conduct the next phase of drilling at Yanac, testing the observed porphyry system at surface and potential extension to depth.

Alianza continues to hold its 1.08% NSR royalty on the Pucarana project adjoining the Orcopampa (Chipmo) Gold Mine in Central Peru. Compania de Minas Buenaventura has produced over 4.8 million ounces of gold at this operation since production started in 1967. Current development is trending towards Pucarana, and management believes that mineralization may continue onto the Pucarana property.

3(d) Mexico

The Company has a 1% Net Smelter Royalty capped at \$1,000,000 on certain Mexican properties that were sold to Almadex Minerals Limited.

Exploration and Evaluation Assets for the year ended September 30, 2021

	USA						Canada				Peru	
	Horsethief	Twin Canyon	Bellview	BP	Strategic Alliance Program	Others	Haldane	KRL	Tim	Others	Yanac	Total
Balance at September 30, 2020	\$ 178,638	\$ 351,336	\$ 97,786	\$ 260,569	\$ -	\$ 23,546	\$ 1,627,078	\$ 257,487	\$ (9,949)	\$ 1,114,250	\$ 424,821	\$ 4,325,562
Additions during the year												
Acquisition costs:												
Claim staking	-	-	-	-	25,482	7,948	-	-	-	-	-	33,430
Property acquisition	-	19,112	-	-	20,041	-	41,500	63,000	-	-	-	143,653
	-	19,112	-	-	45,523	7,948	41,500	63,000	-	-	-	177,083
Exploration expenditures:												
Aircraft charter	-	-	-	-	-	-	33,058	-	-	-	-	33,058
Camp, travel and meals	2,107	8,983	-	1,003	4,283	322	493,970	-	-	-	-	510,668
Drilling	-	-	-	-	-	-	1,547,793	-	-	-	-	1,547,793
Field equipment rental	-	641	-	-	-	-	100,150	-	-	-	-	100,791
Field supplies and maps	-	1,057	-	-	519	-	31,958	-	-	-	-	33,534
Geochemical	38,348	13,962	-	-	-	-	17,977	-	-	-	-	70,287
Geological consulting	12,959	127,600	725	3,719	67,175	8,902	727,772	7,282	-	1,347	18,499	975,980
Geophysics	3,447	-	-	-	-	-	-	-	-	-	-	3,447
Legal and accounting	-	-	-	-	14	8	43	-	-	-	-	65
Licence and permits	(18,243)	12,577	7,683	32,039	50,908	3,310	8,640	2,500	-	3,570	5,585	108,569
Permitting	-	11,501	-	-	13,708	1,433	-	-	-	-	-	26,642
Reclamation	23,393	-	-	-	-	-	-	-	-	-	-	23,393
Reporting, drafting, sampling and analysis	-	11,727	-	-	-	-	18,242	-	-	-	-	29,969
Trenching	-	1,529	-	-	892	-	-	-	-	-	-	2,421
	62,011	189,577	8,408	36,761	137,499	13,975	2,979,603	9,782	-	4,917	24,084	3,466,617
Less:												
Recovered exploration expenditures	(92,087)	-	-	-	(115,893)	(13,274)	-	-	-	-	-	(221,254)
Write-down of properties	-	-	-	-	-	(8,469)	-	-	-	-	-	(8,469)
Net additions	(30,076)	208,689	8,408	36,761	67,129	180	3,021,103	72,782	-	4,917	24,084	3,413,977
Foreign currency translation	1,991	(15,751)	178	1,157	-	(66)	-	-	-	-	(18,669)	(31,160)
Balance at September 30, 2021	\$ 150,553	\$ 544,274	\$ 106,372	\$ 298,487	\$ 67,129	\$ 23,660	\$ 4,648,181	\$ 330,269	\$ (9,949)	\$ 1,119,167	\$ 430,236	\$ 7,708,379

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 mining industry, metal price fluctuations and operating in foreign countries and currencies.

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 gold and other commodities

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 gold or other metal sales. The Company closely monitors gold prices as well as other metal prices to determine the appropriate course of action to be taken by the Company.

Foreign currency risks

The Company uses the Canadian dollar as its measurement and reporting currency, and therefore fluctuations in exchange rates between the Canadian dollar and other currencies may affect the results of operations and financial position of the Company. The Company does not currently have any foreign currency or commercial risk hedges in place.

The Company raises the majority of its equity financings in Canadian dollars while foreign operations are predominately conducted in Peruvian soles and US dollars. Fluctuations in the exchange rates between the Canadian dollar, US dollar and Peruvian soles may impact the Company's financial condition.

Risks Associated with Foreign Operations

The Company's investments in foreign countries such as Peru and USA carry certain risks associated with different political, business, social and economic environments. The Company is currently evaluating gold and other commodities in Peru and USA, but will undertake new investments only when it is satisfied that the risks and uncertainties of operating in different cultural, economic and political environments are manageable and reasonable relative to the expected benefits.

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyance and regulatory characteristics of property rights in certain foreign countries. Access to mineral properties also involves certain inherent risks due to the change in local ranchers and land owners.

Future government, political, legal or regulatory changes in the foreign jurisdictions in which the Company currently operates or plans to operate could affect many aspects of the Company's business, including title to properties and assets, environmental protection requirements, labor relations, taxation, currency convertibility, repatriation of profits or capital, the ability to import necessary materials or services, or the ability to export produced materials.

The exploration of mineral resources in Peru and USA is subject to a comprehensive review, approval and permitting process that involves various federal, state and local agencies. There can be no assurance given that the required approvals and permits for a mining project, if technically and economically warranted, on the Company's claims can be obtained in a timely or cost-effective manner. The Peru, Mexican or US government may enact a law requiring royalties on minerals produced from federal lands, including unpatented claims.

Competition

The Company competes with larger and better-financed companies for exploration personnel, contractors and equipment. Increased exploration activity has increased demand for equipment and services. There can be no assurance that the Company can obtain required equipment and services in a timely or cost-effective manner.

Financing

All of the Company's short- to medium-term operating and exploration cash flow have been derived from external financing. Should changes in equity-market conditions prevent the Company from obtaining additional external financing in the future, the Company will review its exploration-property holdings and programs to prioritize project expenditures based on funding availability.

5. Impairment of Long-lived Assets

The Company completed an impairment analysis as at September 30, 2021, which considered the indicators of impairment in accordance with IAS 36, "Impairment of Assets". Management concluded that no further impairment charges were required other than those already taken because:

- there have been no significant changes in the legal factors or climate that affects the value of the properties;
- all property rights remain in good standing;
- there have been no significant changes in the projections for the properties;
- exploration results are generally positive; and
- the Company intends to continue its exploration and development plans on its properties or seek optionees/partners for future exploration of its properties.

6. Material Financial and Operations Information

6(a) Selected Annual Financial Information

The following selected annual financial information has been derived from the last three audited financial statements of the Company, which have been prepared in accordance with IFRS. All dollar amounts are expressed in Canadian dollars.

6(b) Summary of Quarterly Results

	Year Ended September 30, 2021	Year Ended September 30, 2020	Year Ended September 30, 2019
General and administrative expenses	\$ 1,256,900	\$ 968,165	\$ 598,440
Write-off of exploration and evaluation assets / Impairment allowance	8,469	87,338	-
Loss for the year	939,124	1,056,142	997,369
Basic and diluted loss per share	0.01	0.01	0.02
Total assets	8,379,553	4,847,578	4,494,681
Total long-term financial liabilities	Nil	Nil	Nil
Cash dividend declared – per share	N/A	N/A	N/A

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

	Three months ended			
	September 30, 2021	June 30, 2021	March 31, 2021	December 31, 2020
Total Revenues	\$ -	\$ -	\$ -	\$ -
Loss before other items	\$ 266,618	\$ 180,236	\$ 320,659	\$ 489,387
Net loss	\$ 229,450	\$ 51,651	\$ 305,533	\$ 352,490
Loss per share	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

	Three months ended			
	September 30, 2020	June 30, 2020	March 31, 2020	December 31, 2019
Total Revenues	\$ -	\$ -	\$ -	\$ -
Loss before other items	\$ 99,889	\$ 167,397	\$ 234,724	\$ 466,155
Net Loss	\$ 279,994	\$ 99,075	\$ 231,298	\$ 445,775
Loss per share	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.01

6(c) Review of Operations and Financial Results

For the three months ended September 30, 2021 compared with the three months ended September 30, 2020:

The Company recorded a net loss for the three months ended September 30, 2021 of \$229,450 (loss per share - \$0.00) compared to a loss of \$279,994 (loss per share - \$0.00) for the three months ended September 30, 2020.

During the three months ended September 30, 2021, the expenses increased to \$266,618 (2020 – \$99,889). The change in the expenses was mainly due to: (a) accounting and legal fees of \$65,546 (2020 - \$14,585); (b) investor relations and shareholder information of \$121,778 (2020 - \$80,068); (c) property investigation costs of \$16,047 (2020 - \$2,276) and (d) wages, benefits and consulting fees of \$47,030 (2020 - negative amount of \$8,367). During the three months ended September 30, 2020, the Company allocated \$51,909 of wages, benefits and consulting fees and \$51,909 of accounting and legal fees to exploration and evaluation assets as project management fees.

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

- Flow-through share premium recovery of \$58,120 (2020 - \$Nil); and
- Write-down of exploration and evaluation assets of \$8,469 (2020 - \$87,338).

The Company has been monitoring its use of cash and has been actively seeking ways to reduce its operating expenses.

For the year ended September 30, 2021 compared with the years ended September 30, 2020 and 2019:

The Company recorded a net loss for the year ended September 30, 2021 of \$939,124 (loss per share - \$0.01) compared to a loss of \$1,056,142 (loss per share - \$0.01) for the year ended September 30, 2020 and a loss of \$997,369 (loss per share - \$0.02) for the year ended September 30, 2019.

Excluding the non-cash depreciation of \$Nil (2020 - \$140; 2019 - \$412) and share-based payments of \$202,304 (2020 - \$Nil; 2019 - \$162,208), the expenses increased to \$1,054,596 (2020 - \$968,025; 2019 - \$435,820). The change in the expenses was mainly due to changes in: (a) investor relations and shareholder information of \$517,551 (2020 - \$550,196; 2019 - \$83,654) due to the Company raising more investor awareness while being offset by (b) property investigation expenses of \$53,953 (2020 - \$9,965; 2019 - \$1,592) due to the Company has been actively building the project portfolio.

The other major items for the year ended September 30, 2021, compared with September 30, 2020 and 2019, were:

- Flow-through share premium recovery of \$349,676 (2020 - \$21,459; 2019 - \$149,658);
- Write-off of investment in associates – royalty interest of \$ Nil (2020 - \$ Nil; 2019 - \$560,139); and
- Write-down of exploration and evaluation assets of \$8,469 (2020 - \$87,338; 2019 - \$Nil).

The Company has been monitoring its use of cash and has been actively seeking ways to reduce its operating expenses.

6(d) Liquidity and Capital Resources

As at September 30, 2021, the Company had working capital of \$145,516 (September 30, 2020 - working capital deficit of \$66,197). As at September 30, 2021, \$412,676 was held in cash (2020 - \$278,993) and \$Nil was held in restricted cash (2020 - \$83,070). The change is due to (a) net proceeds from financing activities of \$4,706,905; while being offset by (b) operating activities of \$1,338,738 and (c) exploration and evaluation assets expenditures of \$3,298,056 and an increase in deposits of \$27,563.

The Company completed two private placements as well as receiving funding from the exercise of warrants and finders' warrants during the year ended September 30, 2021 (see "Summary and Outlook" section).

On January 18, 2022, the Company granted 5,800,000 stock options to its directors, officers, employees, consultants and contractors at an exercise price of \$0.10 for a period of five years.

During 2022, as in prior years, the Company expects to spend most of its funds on exploration and administration and the source of those funds is generally from private placement financing. While current cash positions are low at year end, Alianza does expect to be able to raise sufficient funds to continue with its exploration plans and pay for its administration costs for following year.

There may be circumstances where, for sound business reasons, a reallocation of funds may be necessary in order for the Company to achieve its stated business objectives.

6(e) Disclosure of Outstanding Share Data

Common Shares

Authorized: unlimited number of common shares without par value and an unlimited number of preferred shares issuable in series.

	Issued and Outstanding	
	September 30, 2021	January 26, 2022
Common shares	148,950,655	148,950,655

Stock option transactions and the number of stock options for the year ended September 30, 2021 are summarized as follows:

Expiry date	Exercise price	September 30, 2020	Granted	Exercised	Expired / cancelled	September 30, 2021
April 29, 2021	\$0.25	100,000	-	-	(100,000)	-
September 30, 2021	\$0.15	1,245,000	-	-	(1,245,000)	-
March 14, 2023	\$0.10	840,000	-	-	-	840,000
July 30, 2024	\$0.10	1,725,000	-	-	-	1,725,000
October 15, 2025	\$0.14	-	2,005,000	-	-	2,005,000
Options outstanding		3,910,000	2,005,000	-	(1,345,000)	4,570,000
Options exercisable		3,910,000	2,005,000	-	(1,345,000)	4,570,000
Weighted average exercise price		\$0.12	\$0.14	\$Nil	\$0.16	\$0.12

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

Expiry date	Exercise price	September 30, 2020	Issued	Exercised	Expired	September 30, 2021
December 24, 2020	\$0.10	4,400,000	-	(3,300,000)	(1,100,000)	-
July 9, 2022	\$0.10	12,600,000	-	(1,250,000)	-	11,350,000
February 25, 2023	\$0.10	20,790,000	-	(1,690,000)	-	19,100,000
October 9, 2022	\$0.20	-	3,835,186	-	-	3,835,186
Outstanding		37,790,000	3,835,186	(6,240,000)	(1,100,000)	34,285,186
Weighted average exercise price		\$0.10	\$0.20	\$0.10	\$0.10	\$0.11

The continuity of finder's warrants for the year ended September 30, 2021 is as follows:

Expiry date	Exercise price	September 30, 2020	Issued	Exercised	Expired	September 30, 2021
February 25, 2021	\$0.05	806,100	-	(56,100)	(750,000)	-
October 9, 2022	\$0.135	-	1,339,036	-	-	1,339,036
June 14, 2023	\$0.12	-	665,583	-	-	665,583
Outstanding		806,100	2,004,619	(56,100)	(750,000)	2,004,619
Weighted average exercise price		\$0.05	\$0.13	\$0.05	\$0.15	\$0.13

As at the date of the MD&A, the remaining outstanding stock options, warrants and finder's warrants, if all exercised, would increase the Company's cash by \$5,189,877. However, some of the strike prices of the options, warrants and finder's warrants are greater than the current share price, and this may influence whether options, warrants and finder's warrants that expire in the near future will be exercised.

As at the date of this MD&A, there were 148,950,655 common shares issued and outstanding and 195,610,460 common shares outstanding on a diluted basis.

6(f) Off-Balance Sheet Arrangements

None at this time.

6(g) 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 September 30, 2021

	Short-term employee benefits	Post- employment benefits	Other long- term benefits	Termination benefits	Share-based payments	Total
Jason Weber Chief Executive Officer, Director	\$ 162,000	\$ Nil	\$ Nil	\$ Nil	\$ 30,270	\$ 192,270
Rob Duncan VP of Exploration	\$ 145,625	\$ Nil	\$ Nil	\$ Nil	\$ 30,270	\$ 175,895
Winnie Wong Chief Financial Officer	\$ Nil	\$ Nil	\$ Nil	\$ Nil	\$ 20,180	\$ 20,180
Marc G. Blythe Director	\$ Nil	\$ Nil	\$ Nil	\$ Nil	\$ 20,180	\$ 20,180
Mark T. Brown Director	\$ Nil	\$ Nil	\$ Nil	\$ Nil	\$ 30,270	\$ 30,270
Craig Lindsay Director	\$ Nil	\$ Nil	\$ Nil	\$ Nil	\$ 20,180	\$ 20,180
John Wilson Director	\$ Nil	\$ Nil	\$ Nil	\$ Nil	\$ 20,180	\$ 20,180

For the year ended September 30, 2020

	Short-term employee benefits	Post- employment benefits	Other long- term benefits	Termination benefits	Share-based payments	Total
Jason Weber Chief Executive Officer, Director	\$ 147,000	\$ Nil	\$ Nil	\$ Nil	\$ Nil	\$ 147,000
Rob Duncan VP of Exploration	\$ 25,000	\$ Nil	\$ Nil	\$ Nil	\$ Nil	\$ 25,000

For the year ended September 30, 2019

	Short-term employee benefits	Post-employment benefits	Other long-term benefits	Termination benefits	Share-based payments	Total
Jason Weber Chief Executive Officer, Director	\$ 122,000	\$ Nil	\$ Nil	\$ Nil	\$ 24,150	\$ 146,150
Winnie Wong Chief Financial Officer	\$ Nil	\$ Nil	\$ Nil	\$ Nil	\$ 20,150	\$ 20,150
Marc G. Blythe Director	\$ Nil	\$ Nil	\$ Nil	\$ Nil	\$ 12,075	\$ 12,075
Mark T. Brown Director ^(a)	\$ Nil	\$ Nil	\$ Nil	\$ Nil	\$ 24,150	\$ 24,150
Craig Lindsay Director	\$ Nil	\$ Nil	\$ Nil	\$ Nil	\$ 12,075	\$ 12,075
John Wilson Director	\$ Nil	\$ Nil	\$ Nil	\$ Nil	\$ 12,075	\$ 12,075

Related party transactions and balances

		Years ended		Balance due	
		September 30, 2021	September 30, 2020	As at September 30, 2021	As at September 30, 2020
	Services				
Amounts due to:					
Jason Weber	Consulting fee and share-based payment	\$ 192,270	\$ 147,000	\$ Nil	\$ Nil
Rob Duncan	Consulting fee and share-based payment	\$ 175,895	\$ 25,000	\$ Nil	\$ Nil
Pacific Opportunity Capital Ltd. ^(a)	Accounting, financing, and shareholder communication services	\$ 187,245	\$ 228,530	\$ 214,731	\$ 271,337
TOTAL:		\$ 555,410	\$ 400,530	\$ 214,731	\$ 271,337

(a) The president of Pacific Opportunity Capital Ltd., a private company, is a director of the Company.

6(h) Financial Instruments

The Company's financial instruments consists of cash, restricted cash, due from alliance partner, receivables, accounts payable and accrued liabilities, due to related parties and funds held for optionee which are all in the normal course of business.

The Company's financial instruments are exposed to certain financial risks, including currency risk, credit risk, liquidity risk, market risk and commodity price risk.

(a) Currency risk

The Company's property interests in USA and Peru make it subject to foreign currency fluctuations and inflationary pressures which may adversely affect the Company's financial position, results of operations and cash flows. The Company is affected by changes in exchange rates between the Canadian Dollar and foreign functional currencies. The Company does not invest in foreign currency contracts to mitigate the risks. The Company's exploration program,

some of its general and administrative expenses and financial instruments denoted in a foreign currency are exposed to currency risk. A 10% change in the US dollar and the Peruvian nuevo sol over the Canadian dollar would change the results of operations by approximately \$7,300.

(b) Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to the liquidity of its cash. The Company limits exposure to credit risk by maintaining its cash with a large Canadian financial institution.

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company ensures there is sufficient capital in order to meet short-term business requirements, after taking into account cash flows from operations and the Company's holdings of cash. The Company does not have sufficient cash to settle its current liabilities, and further funding will be required to meet the Company's short-term and long-term operating needs. The Company manages liquidity risk through the management of its capital structure.

Accounts payable and accrued liabilities are due within the current operating period.

(d) Market risk

Market risks to which the Company is exposed include unfavorable movements in commodity prices, interest rates, and foreign exchange rates. As at September 30, 2021, the Company has no producing assets and holds the majority of its cash in secure, Canadian dollar-denominated deposits. Consequently, its exposure to these risks has been significantly reduced, but as the Company redeploys its cash, exposure to these risks may increase. The objective of the Company is to mitigate exposure to these risks while maximizing returns.

The Company may from time-to-time own available-for-sale marketable securities, in the mineral resource sector. Changes in the future pricing and demand of these commodities can have a material impact on the market value of the investments. The nature of such investments is normally dependent on the invested company being able to raise additional capital to further develop and to determine the commercial viability of its resource properties. Management mitigates the risk of loss resulting from this concentration by monitoring the trading value of the investments on a regular basis.

i) Interest rate risk

As at September 30, 2021, the Company's exposure to movements in interest rates was limited to potential decreases in interest income from changes to the variable portion of interest rates for its cash. Market interest rates in Canada are at historically low levels, so management does not consider the risk of interest rate declines to be significant, but should such risks increase, the Company may mitigate future exposure by entering into fixed-rate deposits. A 1% change in the interest rate, with other variables unchanged, would not significantly affect the Company.

ii) Foreign exchange risk

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company may maintain cash and other financial instruments, or may incur revenues and expenditures in currencies other than the Canadian dollar. Significant changes

in the currency exchange rates between the Canadian dollar relative to these foreign currencies, which may include but are not limited to US dollars and Peruvian nuevo sol, could have an effect on the Company's results of operations, financial position or cash flows. The Company has not hedged its exposure to currency fluctuations.

(e) Commodity price risk

The ability of the Company to develop its mineral properties and the future profitability of the Company are directly related to the market price of minerals such as gold, zinc, lead and copper. The Company's input costs are also affected by the price of fuel. The Company closely monitors mineral and fuel prices to determine the appropriate course of action to be taken by the Company.

IFRS 7 establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table sets forth the Company's financial assets measured at amortized cost by level within the fair value hierarchy.

	Level 1		Level 2		Level 3		Total
Assets:							
Cash	\$	412,676	\$	-	\$	-	412,676

6(i) Management of Capital Risk

The Company considers its capital to be its shareholders' equity. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the acquisition and exploration of mineral properties 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, issue new debt, acquire or dispose of assets, or adjust the amount of cash.

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

In order to maximize ongoing development efforts, the Company does not pay dividends. The Company's approach to managing capital remains unchanged from the year ended September 30, 2020.

There were no changes to the Company's approach to capital management during the period and the Company is not subject to any externally imposed capital requirements.

7. Events after the Reporting Period

On December 7, 2021, the Company and Cloudbreak announced that they signed an option agreement with Allied regarding the Klondike Property – see section 3(a)(ii).

On January 18, 2022, the Company granted 5,800,000 stock options – see section 6(d).

None other than disclosed already in other sections.

8. Policies and Controls

8(a) Significant Accounting Judgments 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 consolidated 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 the revision affects both current and future periods.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the consolidated statement of financial position date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Critical judgments

The following are critical judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements:

- the determination that the Company will continue as a going concern for the next year;
- the determination that there have been no events or changes in circumstances that indicate the carrying amount of exploration and evaluation assets may not be recoverable;
- the determination that there are no restoration, rehabilitation and environmental costs to be accrued; and
- the determination that the functional currency of the parent is the Canadian dollar, the functional currency of its subsidiary in the USA is the US dollar and the functional currency of its subsidiaries in Peru is the Peruvian nuevo sol.

8(b) Exploration and Evaluation Assets

The Company is in the exploration stage with respect to its investment in exploration and evaluation assets and accordingly follows the practice of capitalizing all costs relating to the acquisition of, exploration for and development of its mineral claims and crediting all proceeds received against the cost of related claims. Such costs include, but are not exclusive to, geological, geophysical studies, exploratory drilling and sampling. At such time as commercial production commences, these costs will be charged to operations on a unit-of-production method based on proven and probable reserves. The aggregate costs related to abandoned mineral claims are charged to operations at the time of any abandonment or when it has been determined that there is evidence of a permanent impairment. An impairment charge relating to a mineral property is subsequently reversed when new exploration results

or actual or potential proceeds on sale result in a revised estimate of the recoverable amount but only to the extent that this does not exceed the original carrying value of the property that would have resulted if no impairment had been recognized.

The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete development of the properties, and on future production or proceeds of disposition.

The Company recognizes in income costs recovered on exploration and evaluation assets when amounts received or receivable are in excess of the carrying amount.

Upon transfer of "Exploration and evaluation costs" into "Mine Development", all subsequent expenditure on the construction, installation or completion of infrastructure facilities is capitalized within "Mine development". After production starts, all assets included in "Mine development" are transferred to "Producing Mines".

All capitalized exploration and evaluation expenditures are monitored for indications of impairment. Where a potential impairment is indicated, assessments are performed for each area of interest. To the extent that exploration expenditures are not expected to be recovered, they are charged to operations. Exploration areas where reserves have been discovered, but require major capital expenditure before production can begin, are continually evaluated to ensure that commercial quantities of reserves exist or to ensure that additional exploration work is underway as planned.

9. Internal Control Over Financial Reporting

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 ("CEO") and Chief Financial Officer ("CFO") 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.

10. Information on the Officers and Board of Directors

Directors:

Mark T. Brown, B.Comm, CPA, CA, Executive Chairman

Jason Weber, BSc, P.Geo

Marc G. Blythe, MBA, P.Eng.

John R. Wilson, BSc, MS, CPG

Craig T. Lindsay, CFA

Audit Committee members:

Marc G. Blythe, Craig T. Lindsay and Mark T. Brown

Management:

Jason Weber, BSc, P. Geo – Chief Executive Officer, President

Winnie Wong, CPA, CA – Chief Financial Officer and Corporate Secretary

Rob Duncan, MSc, — Vice President - Exploration