WORLD COPPER LTD. (formerly Wealth Copper Ltd.)
(An Exploration State Company)
Management Discussion & Analysis
For the year ended December 31, 2020

INTRODUCTION

This Management Discussion & Analysis ("MD&A") for World Copper Ltd. (the "Company") for the year ended December 31, 2020 has been prepared by management, in accordance with the requirements of National Instrument 51-102, as of April 28, 2021, and compares its financial results for the year ended December 31, 2020 to the year ended December 31, 2019. This MD&A provides a detailed analysis of the business of the Company and should be read in conjunction with the Company's consolidated financial statements and the accompanying notes for the year ended December 31, 2020 and 2019, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The Company's reporting currency is the Canadian dollar, and all monetary amounts in this MD&A are expressed in Canadian dollars unless otherwise stated. References to "US$" are to United States dollars. The Company is presently a "venture issuer" as defined in NI 51-102.

FORWARD-LOOKING STATEMENTS

Certain information in this MD&A, including all statements that are not historical facts, constitutes forward-looking information within the meaning of applicable Canadian securities laws. Such forward- looking information may include, but is not limited to, information which reflect management's expectations regarding the Company's future growth, results of operations (including, without limitation, future production and capital expenditures), performance (both operational and financial) and business prospects (including the timing and development of new deposits and the success of exploration activities) and opportunities. Often, this information includes words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate" or "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

In making and providing the forward-looking information included in this MD&A the Company's assumptions may include among other things: (i) assumptions about the price of metals; (ii) that there are no material delays in the optimisation of operations at the exploration and evaluation assets; (iii) assumptions about operating costs and expenditures; (iv) assumptions about future production and recovery; (v) that there is no unanticipated fluctuation in foreign exchange rates; and (vi) that there is no material deterioration in general economic conditions. Although management believes that the assumptions made and the expectations represented by such information are reasonable, there can be no assurance that the forward-looking information will prove to be accurate. By its nature, forward-looking information is based on assumptions and involves known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements, or results, to be materially different from future results, performance or achievements expressed or implied by such forward-looking information. Such risks, uncertainties and other factors include among other things the following: (i) decreases in the price of base precious metals; (ii) the risk that the Company will continue to have negative operating cash flow; (iii) the risk that additional financing will not be obtained as and when required; (iv) material increases in operating costs; (v) adverse fluctuations in foreign exchange rates; and (vi) environmental risks and changes in environmental legislation.

This MD&A (See "Risks and Uncertainties") contains information on risks, uncertainties and other factors relating to the forward-looking information. Although the Company has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in the forward-looking information, there may be other factors that cause actual results, performances, achievements or events not to be anticipated, estimated or intended. Also, many of the factors are beyond the Company's control. Accordingly, readers should not place undue reliance on forward-looking information. The Company undertakes no obligation to reissue or update forward looking information as a result of new information or events after the date of this MD&A except as may be required by law. All forward-looking information disclosed in this document is qualified by this cautionary statement.

Caution Regarding Adjacent or Similar Exploration and Evaluation Assets

This MD&A contains information with respect to adjacent or similar mineral properties in respect of which the Company has no interest or rights to explore or mine. The Company advises US investors that the mining guidelines of the US Securities and Exchange Commission (the "SEC") set forth in the SEC's Industry Guide 7 ("SEC Industry Guide 7") strictly prohibit information of this type in documents filed with the SEC.

All readers are cautioned that the Company has no interest in or rights to acquire any interest in any such properties, and that mineral deposits on adjacent or similar properties, and any production therefrom or economics with respect thereto, are not indicative of mineral deposits on the Company's properties or the potential production from, or cost or economics of, any future mining of any of the Company's mineral properties.

Caution Regarding Historical Results

Historical results of operations and trends that may be inferred from the discussion and analysis in this MD&A may not necessarily indicate future results from operations. In particular, the current state of the global securities markets may cause significant reductions in the price of the Company's securities and render it difficult or impossible for the Company to raise the funds necessary to continue operations, thus resulting in the Company losing its rights to some or all of its mineral properties. See "Risk Factors".

All of the Company's public disclosure filings, including its most recent material change reports, press releases and other information, may be accessed via www.sedar.com and readers are urged to review these materials, including the technical reports filed with respect to the Company's exploration and evaluation assets.

Qualified Persons

John Drobe, P.Geo., a qualified person as defined by National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"), has reviewed the scientific and technical information that forms the basis for the technical disclosure in this MD&A with respect to the Escalones and Cristal Properties, and has approved the disclosure with respect thereto herein. Mr. Drobe is not independent of the Company, as he is a consultant.

DESCRIPTION OF BUSINESS AND GOING CONCERN

World Copper Ltd. (the "Company", "World Copper") was incorporated under the Business Corporations Act (British Columbia) on December 3, 2018. On July 16, 2020, the Company changed its name from Wealth Copper Ltd. to World Copper Ltd. The Company is an exploration stage junior mining company currently engaged in the identification, acquisition and exploration of precious metal resources in Chile. The Company's head office and records office are located at #2710 - 200 Granville St., British Columbia, V6C 1S4, Canada.

Although the consolidated financial statements do not include any adjustments that may result from the inability to secure future financing, such a situation would have a material adverse effect on the Company's business, results of operations and financial condition. The consolidated financial statements do not include any adjustments to the carrying amount and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

Several adverse conditions cast significant doubt on the validity of this assumption. The Company incurred an operating loss of $1,969,763 (2019 - $681,791) during the year ended December 31, 2020. The Company is currently unable to self-finance operations, has limited resources, has no source of operating cash flow, and has no assurances that sufficient funding will be available to conduct further exploration and development of its exploration and evaluation assets.

The business of mining and exploration involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company's ability to continue as a going concern is dependent upon the ability of the Company to obtain the necessary financing to complete the development of its exploration and evaluation assets and future profitable production or proceeds from disposition of those exploration and evaluation assets.

The Company does not generate sufficient cash flow from operations to adequately fund its activities and has therefore relied principally upon the issuance of securities for financing. Future capital requirements will depend on many factors, including the Company's ability to execute its business plan. The Company intends to continue relying upon the issuance of securities to finance its future activities, but there can be no assurance that such financing will be available on a timely basis under terms acceptable to the Company.

Since December 31, 2019, the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and physical distancing, have caused material disruption to business globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these development and the impact on the financial results and condition of the Company in future periods.

ACQUISITION OF TMI GROUP

On September 25, 2019, the Company acquired 100% of the common shares of the SASC Metallurgy Corp., Escalones Copper Corp. and TriMetals Mining Chile SCM, (collectively the "TMI Group") which included a 100% interest in the Escalones property from Gold Springs Resource Corp. (formerly TriMetals Mining Inc.) ("Gold Springs") (Canada). As consideration, the Company issued (i) 25,000,000 common shares valued at $2,500,000, (ii) granted to Escalones Resource Corp. ("ERC") a 2% net smelter returns royalty on the Escalones exploration concessions (which is in addition to an existing 2% net smelter returns royalty on the Escalones exploitation concessions), (iii) paid $150,000, and (iv) is required to pay ERC $350,000 upon closing of a private placement that is concurrent with a going public financing (Paid) and pay $500,000 on the first anniversary of that financing. As part of the transaction, Wealth Copper incurred transaction costs of $150,000 and agreed to reimburse Gold Springs for the Escalones Property annual concession fees of US$54,000 ($71,658) (Paid).

Further, pursuant to a letter agreement (the "Side Letter") entered into among the Company and the TMI Group, the parties to the Side Letter agreed to restrict the extent of their ability to transfer or sell 25,000,000 shares held by each of them in the capital of World Copper (or the Resulting Issuer) until the earlier of (i) the fifth anniversary of the closing date of the Escalones Acquisition or (ii) the first date after such closing date on which either the Company or the TMI Group, directly or indirectly, cease to beneficially own more than 5% of the issued and outstanding common shares in the capital of World Copper (or the Resulting Issuer).

Gold Springs is also guaranteed that its holdings of the Company shall not be less than 30% of the issued and outstanding shares of the Company following the closing of the qualifying transaction with Allante (Note 12). Additionally, Gold Springs is also given pre-emptive right to participate in future equity financings to allow Gold Spring to maintain its pro-rata interest.

The transaction does not constitute a business combination as the TMI Group does not meet the definition of a business under IFRS 3 – Business Combinations. As a result, the acquisition of the TMI Group has been accounted for as an asset acquisition, whereby all of the assets acquired and liabilities assumed are assigned a carrying amount based on their relative fair values. Upon closing of the transaction, TMI Group became a subsidiary of the Company. The net assets acquired pursuant to the acquisition are as follows:

Purchase Price		
Issuance of 25,000,000 shares	$	2,500,000
Cash reimbursement payable to Escalones Resources Corp.		71,658
Payable to Escalones Resources Corp.		850,000
Loan payable to third party		150,000
Transaction costs		150,000
Total Purchase Price	$	3,721,658

Purchase Price Allocation		
Cash	$	79,948
Prepaids		2,329
Exploration and evaluation assets		3,967,971
Accounts payable		(52,319)
Loan payable		(276,271)
Total Purchase Price Allocation	$	3,721,658

The fair value of the 25,000,000 common shares of the Company was determined to be $0.10 per common share, based on the concurrent private placement

SHARE EXCHANGE AGREEMENT

During the year ended December 31, 2019, the Company entered into a letter agreement with Allante Resources Ltd. ("Allante") dated June 7, 2019, whereby Allante will acquire all of the issued and outstanding World Copper common shares and continue the business of World Copper in exchange for the issuance of common shares in the capital of Allante on a one for one basis. The transaction will constitute Allante's qualifying transaction as a Capital Pool Company, as defined by the TSX-V. During the year ended December 31, 2020, the Company entered into a share exchange agreement ("the agreement"), subsequently amended, with Allante for the same terms as the letter agreement dated June 7, 2019. Pursuant to the agreement, the Company agreed to settle debt in the aggregate amount of up to $320,000 to a company controlled by Joe DeVries, President of Allante by issuing up to 2,666,666 common shares immediately after closing.

Concurrent with the transaction, the Company will issue 14,675,595 common shares valued at $1,761,071 to Gold Springs to maintain its 30% pro-rata interest rights per the share exchange agreement in connection with the acquisition of 100% of the common shares of the SASC Metallurgy Corp., Escalones Copper Corp. and TriMetals Mining Chile SCM, which included a 100% interest in the Escalones property from Gold Springs Resource Corp. The Company also issued a special warrant whereby Gold Springs will be entitled to receive up to an additional 24,446,702 common shares upon the deemed exercise of the special warrant. The special warrants will be deemed to be exercised on a proportionate basis at the time the Company's warrants are exercised.

EXPLORATION AND EVALUATION ASSETS

	Escalones Property, Chile	Cristal Property, Chile	Total
Acquisition costs capitalized			
Balance, December 31, 2018	$ -	$ -	$ -
Acquisition	3,967,972	-	3,967,972
Additions	-	85,047	85,047
Balance, December 31, 2019	**3,967,972**	**85,047**	**4,053,019**
Additions	261,801	131,900	393,701
Balance, December 31, 2020	**$ 4,229,773**	**$ 216,948**	**$ 4,446,720**

	Escalones Property, Chile	Cristal Property, Chile	Total
Exploration and evaluation expenses			
Consulting	$ 97,023	$ -	$ 97,023
Year ended December 31, 2019	**$ 97,023**	**$ -**	**$ 97,023**
Exploration and evaluation expenses			
Consulting	$ 125,923	$ -	$ 125,923
Geochemical	54,906	-	54,906
Geological	164,428	-	164,428
Maps & Data	10,570	-	10,570
Roads & Trenches	3,836	-	3,836
Period ended September 30, 2020	**$ 359,663**	**$ -**	**$ 359,663**

Escalones Property, Chile

During the year ended December 31, 2019, the Company became party to an option agreement for the Escalones property. During the year ended December 31, 2019, prior to the acquisition of TMI Group, the Company had issued 500,000 common shares and made payments in the amount of USD$200,000 to the underlying property owner. The remaining payments required to earn a 100% interest in the Escalones property are as follows:

i) paying USD$60,000 on or before June 30, 2020 (paid);
ii) paying USD$140,000 on or before December 31, 2020 (paid);
iii) paying USD$300,000 on or before June 30, 2021;
iv) paying USD$500,000 on or before June 30, 2022;
v) paying USD$500,000 on or before June 30, 2023;
vi) paying USD$3,000,000 on or before June 30, 2024.

The Company has granted a 2% net smelter returns royalty (“NSR”) to the underlying Escalones Property owner.

Cristal Property, Chile

During the year ended December 31, 2019, the Company entered into an assignment and assumption agreement (the “Assignment Agreement”) with New Energy Metals Corp. (“Vendor”) whereby the Company obtained the right, title, benefit, and interest in and to an option agreement in respect of the Cristal property. As consideration for the assignment, the Company issued 50,000 common shares with a fair value of $18,500. To date, the Company has made cash payments of USD$150,000 towards the option.

Wealth Copper is required to make the remaining payments outlined below to exercise the option in full:

i) paying USD $50,000 upon the earlier of the commencement of drilling and December 31, 2019 (paid).
ii) paying USD $150,000 on or before five days after the first anniversary of closing (USD$100,000 paid).
iii) paying USD $500,000 on or before second anniversary of closing.
iv) paying USD $700,000 on or before third anniversary of closing.
v) paying USD $3,000,000 on or before fourth anniversary of closing.

The underlying Cristal Property owner retains a 3% NSR royalty, of which 2% can be repurchased by paying US$2,000,000 for each percentage point of the NSR royalty bought back (aggregate USD $4,000,000 for 2% NSR royalty). In addition, there is also an existing 1% NSR royalty in favour of Condor Resources Inc. that can be repurchased in its entirety upon a payment of USD $1,000,000.

The Assignment Agreement provides that if World Copper exercises the Cristal Option, then the Company and the Vendor will be deemed to have formed a joint venture (the "Joint Venture") for the continued exploration of the Cristal Project, with the initial participating interests of the Joint Venture participants being Wealth Copper Chile – 70% and the Vendor – 30%. Assuming the formation of the Joint Venture, a 2% NSR royalty will be granted to a participant in the Joint Venture if its participating interest therein falls to 10% or less (the "JV Royalty"), provided that one-half (1%) of the JV Royalty can be purchased by the other party for USD$1,000,000.

RESULTS OF OPERATIONS

The following discussion addresses the operating results and financial condition of the Company for the three and twelve month periods ended December 31, 2020 compared with the three and twelve month periods ended December 31, 2019. The Management's Discussion and Analysis should be read in conjunction with the Company's consolidated financial statements and the accompanying notes for the period ended December 31, 2020.

For the three-month period ended December 31, 2020:

Net loss for the period

The Company had a net loss for the three-month period ended December 31, 2020 of $622,539 (2019 - $218,789). The net decrease of $403,750 in the net loss for the three-month period ended December 31, 2020 compared to the three-month period ended December 31, 2019 was primarily due to a reclassification and deferral of transaction costs on the share exchange agreement with Allante, a general increase in activities from the prior period after acquiring the TMI Group which included the acquisition of the Escalones option agreement as the Company started increasing its operations and its transaction with Allante to bring the Company public. Items that caused the net increase are noted in the following:

In comparison to the three-month period ended December 31, 2019:

- Consulting fees of $130,748 (2019 - $96,361) increased by $34,387.
- Exploration and evaluation of $130,231 (2019 - $42,428) increased by $87,785.
- Foreign exchange gain of $14,656 (2019 loss - $22,379) increased by $37,035.
- Office and miscellaneous recovery of $74,454 (2019 expense - $21,516) increased by $95,970.
- Professional fees recovery of $699,489 (2019 - $14,035) increased by $171,009.
- Rent of $28,299 (2019 – 4,226) increased by $24,073.
- Shareholder communications of $31,993 (2019 - $32,201) remained consistent.
- Transfer agent and regulatory fees of $45,759 (2019 - $11,311) increased by $34,448.
- Travel of $15,236 (2019 - $2,402) increased by $12,834.

For the twelve-month period ended December 31, 2020:

Net loss for the period

The Company had a net loss for the twelve-month period ended December 31, 2020 of $1,969,763 (2019 - $681,791). The net increase of $1,287,972 in the net loss for the twelve-month period ended December 31, 2020 compared to the twelve-month period ended December 31, 2019 was primarily due to a general increase in activities from the prior year after acquiring the TMI Group which included the acquisition of the Escalones option agreement as the Company started increasing its operations and its transaction with Allante to bring the Company public. Items that caused the net increase are noted in the following:

In comparison to the year ended December 31, 2019:

- Consulting fees of $495,610 (2019 - $183,566) increased by $312,044.
- Exploration and evaluation of $359,663 (2019 - $97,023) increased by $262,640.
- Accretion of $24,746 (2019 - $Nil) increased by $24,746.
- Foreign exchange gain of $22,280 (2019 loss - $20,528) increased by $42,808.
- Office and miscellaneous of $147,873 (2019 - $25,222) increased by $122,651.
- Professional fees of $748,499 (2019 - $282,991) increased by $465,508.
- Rent of $28,299 (2019 – 4,226) increased by $24,073.
- Shareholder communications of $111,650 (2019 - $45,956) increased by $65,694.
- Transfer agent and regulatory fees of $46,737 (2019 - $11,311) increased by $35,426.
- Travel of $28,966 (2019 - $10,968) increased by $17,998.

SUMMARY OF ANNUAL INFORMATION

	December 31, 2020	December 31, 2019	December 31, 2018
Total Assets	$ 4,824,930	$ 4,229,692	$ 1
Exploration and evaluation assets	4,446,720	4,053,019	-
Total Liabilities	1,743,030	1,572,482	-
Working capital (deficit)	(864,820)	(1,395,809)	1
Shareholders' equity	3,081,900	2,657,210	1
Loss for the Year	(1,969,763)	(681,791)	-
Loss per share – Basic and Diluted	(0.03)	(0.03)	(0.00)
Cash Dividends Declared	-	-	-

SUMMARY OF QUARTERLY RESULTS

	December 31, 2020	September 30, 2020	June 30, 2020	March 31, 2020
Total assets	$ 4,824,930	$ 5,163,412	$ 4,274,985	$ 4,127,694
Exploration and evaluation assets	$ 4,446,720	$ 4,184,920	$ 4,053,019	$ 4,053,019
Total liabilities	$ 1,743,030	$ 1,569,982	$ 2,236,113	$ 1,829,784
Working capital (deficit)	$ (864,820)	$ (91,490)	$ (1,514,147)	$ (1,255,109)
Shareholders' equity	$ 3,081,900	$ 3,593,430	$ 2,038,872	$ 2,297,910
Total revenue	$ -	$ -	$ -	$ -
Net loss for the period	$ (622,539)	$ (551,140)	$ (436,784)	$ (359,300)
Basic and diluted loss per share	$ (0.01)	$ (0.01)	$ (0.01)	$ (0.01)

	December 31, 2019	September 30, 2019	June 30, 2019	March 31, 2019
Total assets	$ 4,229,692	$ 4,380,636	$ 1	$ 1
Exploration and evaluation assets	$ 4,053,019	$ 4,053,019	$ -	$ -
Total liabilities	$ 1,572,482	$ 1,504,637	$ 159,061	$ 12,991
Working capital (deficit)	$ (1,395,809)	$ (1,177,020)	$ (159,060)	$ (12,990)
Shareholders' equity	$ 2,657,210	$ 2,875,999	$ 159,060	$ 12,990
Total revenue	$ -	$ -	$ -	$ -
Net loss for the period	$ (218,789)	$ (303,941)	$ (146,070)	$ (12,991)
Basic and diluted loss per share	$ (0.01)	$ (0.01)	$ (0.01)	$ (0.00)

TRANSACTIONS WITH RELATED PARTIES

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and directors. The transactions with related parties were in the normal course of operations and were measured at the fair value.

Key management personnel compensation during the year ended December 31, 2020 and 2019 was as follows:

i) Consulting fees paid or accrued to a corporation owned by the director and former CEO, namely Henk Van Alpen of $39,000 (2019 - $15,000).
ii) Consulting fees paid or accrued to a director, namely Patrick Burns, of $181,601 (2019 - $119,159).
iii) Professional fees for accounting services of $12,000 (2019 - $Nil) paid to a corporation owned by Sead Hamzagic for CFO duties.
iv) Professional fees for accounting services of $46,125 (2019 - $Nil) paid to a partnership in which the CFO, namely Dave Cross, has an interest.
v) Consulting fees paid or accrued to a corporation owned by Marla Ritchie for Corporate secretary services of $18,750 (2019 - $Nil).

	2020	2019
Management fees, included in consulting fees	$ 297,476	$ 138,109

The transactions with related parties were in the normal course of operations and were measured at the exchange value, which represented the amount of consideration established and agreed to by the parties.

The amounts due to the related parties are as follows:

		December 31, 2020		December 31, 2019
Included in accounts payable and accrued liabilities:				
Due to a director and former CEO	$	2,505	$	734
Due to the former CFO		-		4,147
Due to the President and CEO		163,444		39,807
Due to the corporate secretary		16,998		8,134
Due to Wealth Minerals		69,224		217,741
	$	252,171	$	270,563

The amounts owing are unsecured, non-interest bearing and have no fixed term for repayment.

During the year ended December 31, 2020, the Company entered into a loan agreement with a director and former CEO whereby the Company received a loan of $170,000 repayable by December 26, 2021 with an interest of 8% per annum compounded annually. The Company repaid the loan on July 29, 2020. The Company also issued 1,700,000 bonus warrants exercisable into common shares at a price of $0.10 until June 26, 2022. For accounting purposes, the loan noted above is a compound instrument and was allocated into corresponding debt and equity components at the date of issue. The Company bifurcated the notes into their components using a discounted cash flow model with a discount rate of 20% to estimate the fair value of the liability component of $145,254 with the remaining balance of $24,746 representing the equity component. The loan was fully accreted to its principal value upon repayment.

LIQUIDITY AND CAPITAL RESOURCES AND CAPITAL EXPENDITURES

At December 31, 2020, the Company has a deficit of $2,651,554 (December 31, 2019 - $681,791) and a working capital deficit of $864,820 (December 31, 2019 - $1,395,809). Subsequent to December 31, 2020, the Company raised gross proceeds of $3,243,776 by issuing 27,031,466 units at $0.12 per unit.

During the twelve months ended December 31, 2020, the Company had the following cash flows:

- i) Cash flows used in operating activities of $1,500,232 (2019 - $463,317). Operating cash flows are due to day to day operations as detailed on the statement of financial position, adjusted for non-cash items and changes in non-cash working capital items.
- ii) Cash used in investing activities used in investing activities of $393,701 (2019 - $70,052). The Company spent $393,701 in Exploration and evaluation assets (2019 - $Nil), and payments on acquisition of TMI Group of $Nil (2019 - $70,052).
- iii) Cash provided by financing activities of $2,057,876 (2019 - $700,080). These cash inflows were a result of incoming funds from private placements net of share issuance costs.

The Company had the following share capital transactions:

During the year ended December 31, 2020, the Company.

- i) issued 1,858,655 units at $0.10 per unit for gross proceeds of $185,865. Each unit consisted of a common share and warrant exercisable into a common share at a price of $0.20 for 5 years. The Company paid $11,073 in finder's fees.
- ii) issued 21,879,000 units at $0.10 per unit for gross proceeds of $2,187,900. Each unit consisted of a common share and warrant exercisable into a common share at a price of $0.20 for 5 years. The Company paid finder's fees by issuing 1,092,000 finder's warrants with a 2-year term exercisable at

$0.10 valued at $68,468 and cash in the amount of $124,880. The Company also paid other cash share issue costs in the amount of $17,104.

iii) issued 1,500,000 units at $0.10 per unit to settle a loan payable of $150,000. Each unit consisted of a common share and warrant exercisable into a common share at a price of $0.20 for 5 years. Share issue costs of $1,000 was paid on the issuance of shares.

During the year ended December 31, 2019, the Company:

iv) issued 8,140,000 common shares at $0.10 per share for gross proceeds of $814,000 by way of a private placement.

v) issued 500,000 common shares at $0.05 per share for a total fair value of $25,000 to underlying property owner of the Escalones property (Note 5).

vi) issued 25,000,000 common shares at $0.10 per share for a total fair value of $2,500,000 towards the acquisition of TMI Group (Note 4).

OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements.

ACCOUNTING POLICIES AND FUTURE ACCOUNTING POLICIES

Please refer to the December 31, 2020 consolidated financial statements for details on accounting policies adopted in the period as well as future accounting policies.

FINANCIAL INSTRUMENTS AND FINANCIAL RISK

The Company’s financial instruments consist of cash, accounts receivable, and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted. See Note 9 of the Company’s consolidated financial statements for year ended December 31, 2020 for a discussion of the Company’s risk exposure and the impact thereof on the Company’s financial instruments.

The Company’s cash at December 31, 2020 was $330,655 and was primarily held at a major Canadian financial institution. The Company is subject to financial risk arising from fluctuations in foreign currency exchange rates. The Company does not use any derivative instruments to reduce its exposure to fluctuations in foreign currency exchange rates.

DISCLOSURE OF OUTSTANDING SHARE DATA (as at April 28, 2021)

Authorized Capital

Unlimited common shares without par value

Issued and Outstanding Capital – 132,251,980 shares outstanding

Issued and Outstanding Warrants - 28,029,655 warrants outstanding

Issued and Outstanding Special Warrants - 24,446,702 special warrants outstanding