MANAGEMENT DISCUSSION & ANALYSIS
For the Three and Six Months Ended April 30, 2022

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OVERVIEW

The purpose of this Management Discussion and Analysis ("MD&A") is to explain management's point of view of Blue River Resources Ltd.'s (the "Company") past performance and future outlook. This report also provides information to improve the reader's understanding of the Company's financial performance, trends and risks and should therefore be read in conjunction with the Company's unaudited condensed interim consolidated financial statements and notes thereto for the three and six months ended April 30, 2022 and 2021 (the "Financial Statements"), the annual audited consolidated financial statements for the years ended October 31, 2021 and 2020 (the "2021 Annual Financial Statements"), and the Company's annual management discussion and analysis (the "2021 Annual MD&A"). Additional information on the Company is available on SEDAR and at the Company's website, www.blueriv.com. All information contained in this MD&A is current as of June 29, 2022 unless otherwise stated.

All financial information in this MD&A has been prepared in accordance with International Financial Reporting Standards ("IFRS") and all dollar amounts are expressed in Canadian dollars unless otherwise indicated.

FORWARD LOOKING STATEMENTS

Certain sections of this MD&A may contain forward-looking statements.

All statements, other than statements of historical fact, made by the Company that address activities, events or developments that the Company expects or anticipates will or may occur in the future are forward-looking statements, including, but not limited to, statements preceded by, followed by or that include words such as "may", "will", "would", "could", "should", "believes", "estimates", "projects", "potential", "expects", "plans", "intends", "anticipates", "targeted", "continues", "forecasts", "designed", "goal", or the negative of those words or other similar or comparable words. Forward-looking statements may relate to the Company's future financial conditions, results of operations, plans, objectives, performance or business developments including, among other things, exploration and work programs, drilling plans and timing of drilling, plans for development and facilities construction and timing, method of funding and completion thereof, the performance characteristics of the Company's mineral properties, drilling results of various projects of the Company, the existence of mineral resources or reserves and the timing of development thereof, projections of market prices and costs, supply and demand for copper and other precious metals, expectations regarding the ability to raise capital and to acquire reserves through acquisitions and/or development, treatment under governmental regulatory regimes and tax laws, and capital expenditure programs and the timing and method of financing thereof. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. The estimates and assumptions of the Company contained in this MD&A, which may prove to be incorrect, include, but are not limited to, the various assumptions set forth herein and in the MD&A, or as otherwise expressly incorporated herein by reference as well as: (1) there being no significant disruptions affecting operations, whether due to labour disruptions, supply disruptions, power disruptions, damage to equipment, adverse weather conditions or otherwise; (2) permitting, access, exploration, expansion and acquisitions at our projects (including, without limitation, land acquisitions for and permitting of exploration plans) being consistent with our current expectations; (3) prices for and availability of equipment, labor, natural gas, fuel oil, electricity, water and other key supplies remaining consistent with current levels; (4) labour and materials costs increasing on a basis consistent with the Company's current expectations; and (5) the availability and timing of additional financing being consistent with the Company's current expectations. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to: fluctuations in the currency markets; fluctuations in the spot and forward price of copper or certain other commodities (such as diesel fuel and electricity); changes in national and local government legislation, taxation, controls, regulations and political or economic developments in Canada; business opportunities that may be presented to, or pursued by, us; our ability to successfully integrate acquisitions; operating or technical difficulties in connection with exploration or development activities; employee relations; the speculative nature of copper exploration and development, including the risks of obtaining necessary licenses and permits; competition for, among other things, capital, acquisitions of reserves, undeveloped lands and skilled personnel, incorrect assessments of the value of acquisitions, geological, technical, drilling and processing problems, fluctuations in foreign exchange or interest rates and stock market volatility, changes in income tax laws or changes in tax laws and incentive programs relating to the mineral resource industry; and contests over title to properties, particularly title to undeveloped properties. In addition, there are risks and hazards associated with the business of copper exploration, development and mining, including environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins, flooding and copper bullion losses (and the risk of inadequate insurance, or the inability to obtain insurance, to cover these risks). Many of these uncertainties and contingencies can affect the Company's actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Company. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements are provided for the purpose of providing information about management's expectations and plans relating to the future. All of the forward-looking statements made in this MD&A are qualified by these cautionary statements and those made in our other filings with applicable securities regulators in Canada. These factors are not intended to represent a complete list of the factors that could affect the Company and readers should not place undue reliance on forward-looking statements in this MD&A. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, or to explain any material difference between subsequent actual events and such forward-looking statements, except to the extent required by applicable law.

The forward looking statements contained herein are based on information available as of the date of this report.

OVERALL PERFORMANCE

Blue River Resources Ltd. (the "Company") was incorporated on September 26, 2008 under the Business Corporations Act (British Columbia). The Company and its 100% owned subsidiary, Blue River Resources Inc. ("BRR Inc."), incorporated under the laws of the State of Wyoming, is in the business of acquisition, exploration and development of mineral properties.

Management is currently focussing on its Castle Copper project near Princeton BC and is assessing additional opportunities in the mineral exploration sector and possible further opportunities with their investment in GSIL.

In May 2022, the Company proposed to settle outstanding indebtedness totalling $1,200,828 through the issuance of 14.14 million common shares at a price of $0.05 per share and 9,876,560 units at a price of $0.05 per unit. Each unit will consist of one common share and one transferable share purchase warrant, with each warrant entitling the holder to purchase one common share at a price of $0.05 per share for a five-year term from the date of issuance. Closing of the debt settlement is subject to the approval of the TSX Venture Exchange.

In June 2022, the Company entered into a property option agreement with a vendor to acquire a 100% right, title and interest in and to the Wildrice Lake Property, Bedivere Lake Property, and Scruffy Lake Property (the "SWB Lithium Project") in Nevada, USA.

SELECTED QUARTERLY FINANCIAL DATA

The Company is a mineral exploration and development company, and currently has no producing properties or operating income. Accordingly, the Company has not recorded any revenues, and depends upon share issuances (through private placements and the exercise of warrants) to fund its exploration activities and administrative expenses. The following financial data is derived from the Company's condensed interim consolidated financial statements for the three and six months ended April 30, 2022 and 2021:

	Three Months ended April 30,		Six Months ended April 30,	
	2021	**2021**	**2021**	**2021**
	$	$	$	$
Revenues	-	-	-	-
Operating expenses	(92,213)	(41,496)	(194,682)	(78,644)
Other items	(3,036)	823	(5,961)	2,125
Net and comprehensive loss	(95,249)	(40,673)	(200,643)	(76,519)
Basic and diluted net and comprehensive loss per common share	(0.00)	(0.00)	(0.00)	(0.00)
Working capital deficiency	(1,462,940)	(1,695,265)	(1,462,940)	(1,695,265)
Total assets	92,525	55,834	92,525	55,834
Total long-term liabilities	-	-	-	-
Dividends per share	-	-	-	-

At April 30, 2022, the Company had not yet achieved profitable operation and has an accumulated deficit of $12,178,406 (October 31, 2021 - $11,977,763). The net losses for the three months ended April 30, 2022 and 2021 resulted in a net loss per share of $0.00 and $0.00, respectively, while the net losses for the six months ended April 30, 2022 and 2021 resulted in a net loss per share of $0.00 and $0.00, respectively

At April 30, 2022, the Company has no continuing source of operating revenues to fund current expenditures. The Company has not paid any dividends on its common shares nor does it have any intention of paying dividends on its common shares, as it anticipates that all available funds for the foreseeable planning horizon will be invested to finance its business activities.

RESULTS OF OPERATIONS

As an exploration company, the Company has yet to generate any revenue since its inception from its planned operations and has, to date, incurred annual net losses from operating and other expenses.

The operating expenses for the three months ended April 30, 2022 totaled $92,213 versus $41,496 for the comparative quarter ended April 30, 2021. The table below details the major changes in operating expenditures for the quarter ended April 30, 2022 as compared to the corresponding quarter ended April 30, 2021.

Operating Expense	Increase / Decrease in Expenses	Explanation for Change
Consulting fees	Increase of $19,918	Increased due to engaging new consultants in assessing new opportunities for the Company.
Management fees	Increase of $13,700	Increased due to increased management compensation.

The operating expenses for the six months ended April 30, 2022 totaled $194,682 versus $78,644 for the comparative period ended April 30, 2021. The table below details the major changes in operating expenditures for the period ended April 30, 2022 as compared to the corresponding period ended April 30, 2021.

Operating Expense	Increase / Decrease in Expenses	Explanation for Change
Consulting fees	Increase of $46,498	Increased due to engaging new consultants in assessing new opportunities for the Company.
Management fees	Increase of $45,500	Increased due to increased management compensation.

SUMMARY OF QUARTERLY RESULTS FOR THE LAST CONSECUTIVE EIGHT QUARTERS

Historical quarterly financial information derived from the Company's eight most recently completed quarters is as follows:

	Quarters Ended			
	April 30, 2022	**January 31, 2022**	**October 31, 2021**	**July 31, 2021**
	$	$	$	$
Net loss	(92,213)	(105,394)	(167,918)	(29,991)
Comprehensive loss	(92,213)	(105,394)	(167,918)	(29,991)
Comprehensive Loss Per Share	(0.00)	(0.00)	(0.00)	(0.00)
Weighted Average Shares	235,084,812	235,084,812	215,773,214	191,751,470
	April 30, 2021	**January 31, 2021**	**October 31, 2020**	**July 31, 2020**
	$	$	$	$
Net loss	(40,673)	(35,846)	(56,130)	(37,084)
Comprehensive loss	(40,673)	(35,846)	(71,456)	(36,499)
Comprehensive Loss Per Share	(0.00)	(0.00)	(0.00)	(0.00)
Weighted Average Shares	191,751,470	191,751,470	191,751,470	191,751,470

The variations in net loss from quarter to quarter are a result of the extent of the amount of administrative expenses needed, the amount of activity the Company is incurring on its exploration and evaluation assets, and the amount of write-downs and impairments recorded. The difference between the net loss and comprehensive loss is due to the change in the fair market value of the Company's previously held available-for-sale financial asset.

There were no material variations during the quarters presented.

SUMMARY OF EXPLORATION ACTIVITIES

For the six months ended April 30, 2022, the Company incurred $nil in exploration expenditures compared to $nil in exploration expenditures for the corresponding period ended April 30, 2021.

The total cumulative acquisition and deferred exploration costs to April 30, 2022 on the property currently held by the Company is summarized as follows:

	Castle Project (Canada)
	$
Acquisition costs	185,800
Deferred costs	
Assays	39,238
Consulting – geological	214,678
Drilling	22,270
General exploration expenditures	240,948
Travel and accommodation	18,339
Subtotal	**721,273**
Mining tax credits	(110,088)
Impairment	(611,184)
Cumulative acquisition and deferred exploration costs at April 30, 2022	**1**

Discussion on Current Projects

CASTLE PROJECT – British Columbia

The Castle Project is located in the Similkameen area of British Columbia. The property is 335 hectares in size and is located on the Nicola Fault Trend. This claim is 100% owned by Blue River Resources Ltd.

The Castle Property is situated 12 kilometers north of the town of Princeton in South Western British Columbia within the Thompson Plateau and covers gently sloping hills reaching an elevation of 1,125 metres in the northeast and 1,075m in the southeast. Much of the Castle Property area is of grassy ranch land in the lower elevations to pine and aspen forests with scattered grassy patches in the higher elevations.

The Castle Property has been explored intermittently since the late 1950's. Mineralization is found on the property in a series of trenches excavated in the mid 1980's by Count Fleet Exploration and re-established by Blue River. The exposed mineralization consists primarily of malachite, chalcopyrite, pyrite and magnetite, with minor bornite and possibly chalcocite. The copper minerals are confined largely to a 150m wide zone trending west-northwest for 500m. Since acquiring the property, the Company carried out a soil geochemical survey, ground magnetometer and electromagnetic survey and re-established the known trenches over the mineralized area.

In June 2018, the Company completed a National Instrument 43-101 report which compiled all the drill results from the 2011 drill program with the Aeroquest survey and delineate areas of interest in the northern section of the property such as the Christian zone. The report recommends a two-phased exploration program which management is currently evaluating.

During the year ended October 31, 2015, the Company impaired the Castle Project to a nominal value of $1 as a result of the Company suspending all further exploration plans for this property. During the year ended October 31, 2018, the Company re-commenced exploration plans and incurred $7,219 of exploration expenses in relation to obtaining the National Instrument 43-101 report. As at October 31, 2019, the Company impaired the Castle Project by $7,220.

In February 2020, the Company re-staked one of the claims related to the property and recorded a recovery of $1.

Exploration plans for 2022 include a ground geophysics program over the previously unexplored areas of the Castle property. A significant copper discovery was made in 2021 in the Nicola Fault Trend, by nearby Kodiak Copper.

SWB LITHIUM PROJECT – British Columbia

In June 2022, the Company entered into a property option agreement with a vendor to acquire a 100% right, title and interest in and to the Scruffy Lake Property, Wildrice Lake Property, and Bedivere Lake Property (together the "SWB Lithium Project") in Ontario, Canada. To earn its interest in the SWB Lithium Project, the agreement calls for the Company to make the following payments and share issuances to the vendor, and incur the following work commitments:

- Upon signing of the agreement – cash payment of $5,000 (paid);
- Within 30 days of TSX-V approval - issue 250,000 common shares of the Company;
- On or before the 1st anniversary - issue 500,000 common of the Company shares, make a cash payment of 10,000, and incur $25,000 in exploration expenses on the project ;
- On or before the 2nd anniversary - issue 500,000 common of the Company shares, make a cash payment of 15,000, and incur a further $50,000 in exploration expenses on the project ;
- On or before the 3rd anniversary - issue 500,000 common of the Company shares, make a cash payment of 20,000, and incur a further $75,000 in exploration expenses on the project ; and
- On or before the 3rd anniversary - incur a further $100,000 in exploration expenses on the project.

In addition to the payments outlined above, the vendor is entitled to the following:

- In the event the SWB Lithium Project is sold to a third party during the option period, the vendor will be paid 10% of the proceeds to the Company;
- In the event the Company outlines a NI43-101 on the SWB Lithium Project that has a value of more than $250 million, the vendor will be paid cash or issued shares with a value of $250,000; and
- Upon exercise of the option agreement, the vendor will retain a 2% net smelter return royalty of which the Company has the right to repurchase 1% at any time by way of a one-time payment of $1,000,000.

The Scruffy Lake Property is comprised of 82 mining claims located in Northwestern Ontario, approximately 390 kilometers west of Thunder Bay. It is situated on the boundary of the Winnipeg River subprovince and English River subprovince, an area historically known for its significant lithium-bearing pegmatite deposits.

The Wildrice Lake Property is comprised of 204 mining claims covering 4,200 hectares or 10,400 acres of land located in Northwestern Ontario, approximately 390 kilometers west of Thunder Bay. It is situated on the boundary of the Winnipeg River subprovince and English River subprovince, an area historically known for its significant lithium-bearing pegmatite deposits.

The Bedivere Property is comprised of 60 mining claims covering 1,440 hectares or 3,558 acres of land located in Northwestern Ontario, approximately 130 kilometers west of Thunder Bay. It is situated on the boundary of the Quetico subprovince and Wabigoon subprovince, another area historically known for its significant lithium-bearing pegmatite deposits.

LIQUIDITY AND CAPITAL RESOURCES

The Company has financed its operations to date through the issuance of common shares and the exercise of stock options and warrants. The Company continues to seek capital through various means including the issuance of equity and/or debt.

The Company's liquidity and capital resources are as follows:

	April 30, 2022	October 31, 2021
Cash	18,296	74,922
Receivable	2,053	1,326
Share subscriptions receivable	-	240,600
Prepaid expenses	10,984	1,044
Total current assets	**31,333**	**317,892**
Demand loan payable	23,192	22,062
Accounts payables and accrued liabilities	749,785	820,188
Due to related parties	670,452	685,493
Promissory note	50,844	49,356
Total current liabilities	**1,494,273**	**1,577,099**
Working capital deficiency	**1,462,940**	**(1,259,207)**

The Company's operations consist of acquisition, maintenance, and exploration of mineral properties, including actively seeking joint venture partners to assist with exploration funding. The Company's financial success will be dependent on the extent to which it can discover new mineral deposits.

During the six months ended April 30, 2022, cash decreased by $56,626. The decrease in cash was attributed to funding operating and administrative expenses which was partially offset by proceeds received from share subscriptions receivable.

Management believes the Company will need to raise additional funds to meet anticipated administrative expenses and required exploration and development expenditures on its properties over the next year. See "Overall Performance".

The Company's continuation as a going concern is dependent upon the successful results from its mineral property exploration activities and its ability to attain profitable operations and generate funds therefrom and/or raise equity capital or borrowings sufficient to meet current and future obligations. See "Risks and Uncertainties".

OFF BALANCE SHEET ARRANGEMENTS

The Company has no off balance sheet arrangements.

COMMITMENTS

The Company has no commitments.

RELATED PARTY TRANSACTIONS

All transactions with related parties have occurred in the normal course of operations. The following lists all material transactions with related parties during the six months ended April 30, 2022:

- Griffin Jones, CEO and director of the Company, provides consulting and management services to the Company. The Company incurred $75,500 in management fees (April 30, 2021 - $30,000) to Griffin Jones. As at April 30, 2022, $649,858 (October 31, 2021 - $664,900) was included in due to related parties owing to companies owned by Mr. Jones for unpaid management fees and expenditure reimbursements.
- As at April 30, 2022, GSIL, a private company of which the Company has significant influence, owes the Company $3,000 (October 31, 2021 - $3,000) which is included in due from related parties.
- As at April 30, 2022, the Company owed Paul Gray, a director of the Company, $20,593 (October 31, 2021 - $20,593) for previously incurred consulting fees which was included in due to related parties.
- As at April 30, 2022, Rift Valley Resources Corp., a company related by common directors, owes the Company $10,430 (October 31, 2021 - $1,332) which is included in due from related parties.

Summary of related party transactions:

	For the six months ended April 30,	
	2022	**2021**
	$	**$**
Management fees	75,500	30,000

RISKS AND UNCERTAINTIES

The business and operations of the Company are subject to numerous risks, many of which are beyond the Company's control. The Company considers the risks set out below to be some of the most significant to potential investors in the Company, but not all of the risks associated with an investment in securities of the Company. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the Company is currently unaware or which it considers to be material in relation to the Company's business actually occur, the Company's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects, are likely to be materially and adversely affected. In such circumstances, the price of the Company's securities could decline and investors may lose all or part of their investment.

The Company is a natural resource company engaged in the acquisition, exploration and development of mineral properties. Given the nature of the mining business, the limited extent of the Company's assets and the present stage of exploration, the following risks factors, among others, should be considered:

COVID-19 Pandemic

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, customers, economies, and financial markets globally, potentially leading to an economic downturn. It has also disrupted the normal operations of many businesses, including the Company's. This outbreak could decrease spending, adversely affecting and harming the business and results of operations. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or results of operations at this time.

Exploration, Development and Operating Risks

The Company is in the process of exploring its properties and has not yet determined whether its properties contain economically recoverable reserves and, therefore, does not generate any revenues from production. The recovery of expenditures on mineral properties and the related deferred exploration expenditures are dependent on the existence of economically recoverable mineralization, the ability of the Company to obtain financing necessary to complete the exploration and development of its properties, and upon future profitable production, or alternatively, on the sufficiency of proceeds from disposition. Mineral exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that exploration efforts will be successful.

Substantial Capital Requirements and Liquidity

Substantial additional funds for the establishment of the Company's current and planned mining operations will be required. No assurances can be given that the Company will be able to raise the additional funding that may be required for such activities, should such funding not be fully generated from operations. Mineral prices, environmental rehabilitation or restitution, revenues, taxes, transportation costs, capital expenditures and operating expenses and geological results are all factors which will have an impact on the amount of additional capital that may be required. To meet such funding requirements, the Company may be required to undertake additional equity financing, which would be dilutive to shareholders. Debt financing, if available, may also involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and pursue only those projects that can be funded through cash flows generated from its existing operations, if any.

Financing Risks and Dilution to Shareholders

The Company has limited financial resources, no operations and no revenues. If the Company's exploration program on its properties is successful, additional funds will be required for the purposes of further exploration and development. There can be no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be available on favorable terms or at all. It is likely such additional capital will be raised through the issuance of additional equity which will result in dilution to the Company's shareholders.

Fluctuating Mineral Prices

The economics of mineral exploration are affected by many factors beyond the Company's control, including commodity prices, the cost of operations, variations in the grade of minerals explored and fluctuations in the market price of minerals. Depending on the price of minerals, the Company may determine that it is impractical to continue a mineral exploration operation. Mineral prices are prone to fluctuations and the marketability of minerals is affected by government regulation relating to price, royalties, allowable production and the importing and exporting of minerals, the effect of which cannot be accurately predicted. There is no assurance that a profitable market will exist for the sale of any minerals found on the Company's properties.

Title to Properties

Acquisition of title to mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed. The Company cannot give an assurance that title to its properties will not be challenged or impugned. Mineral properties sometimes contain claims or transfer histories that examiners cannot verify. A successful claim that the Optionors or the Company, as the case may be, does not have title to its properties could cause the Company to lose any rights to explore, develop and mine any minerals on its properties without compensation for its prior expenditures relating to its properties.

Regulatory, Permit and License Requirements

The current or future operations of the Company require permits from various governmental authorities, and such operations are and will be governed by laws and regulations concerning exploration, development, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, site safety and other matters. Companies engaged in the exploration and development of mineral properties generally experience increased costs and delays in development and other schedules as a result of the need to comply with applicable laws, regulations and permits. There can be no assurance that all permits which the Company may require for facilities and the conduct of exploration and development operations on the Properties will be obtainable on reasonable terms, or that such laws and regulations will not have an adverse effect on any exploration or development project which the Company might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in exploration and development operations may be required to compensate those suffering loss or damage by reason of the exploration and development activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations. Amendments to current laws, regulations and permits governing operations and activities of mineral companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or exploration and development costs, or require abandonment or delays in the development of new or existing properties.

Competition

The mineral exploration and development industry is highly competitive. The Company will have to compete with other mining companies, many of which have greater financial, technical and other resources than the Company, for, among other things, the acquisition of minerals claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel. Failure to compete successfully against other mining companies could have a material adverse effect on the Company and its prospects.

Local Resident Concerns

Apart from ordinary environmental issues, the exploration, development and mining of the Company's properties could be subject to resistance from local residents that could either prevent or delay exploration and development of the properties.

Reliance on Management and Dependence on Key Personnel

The success of the Company will be largely dependent upon the performance of its directors and officers and the ability to attract and retain key personnel. The loss of the services of these persons may have a material adverse effect on the Company's business and prospects. The Company will compete with numerous other companies for the recruitment and retention of qualified employees and contractors. There is no assurance that the Company can maintain the service of its directors and officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Company and its prospects.

Litigation

The Company and/or its directors may be subject to a variety of civil or other legal proceedings, with or without merit.

Investment in GSIL

GSIL is in the communication sector and provides a range of products from satellite phones to high speed broadband and internet. GSIL is subject to normal business risks associated to other company's operating in the communication sector. The income recorded from the Company's investment in GSIL should not be regarded as income cash flowing into the Company.

Environmental Risks

The Company's exploration and appraisal programs will, in general, be subject to approval by regulatory bodies. Additionally, all phases of the mining business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of international conventions and state and municipal laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with mining operations. The legislation also requires that wells and facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs.

Conflicts of Interest

Certain of the directors and officers of the Company will be engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies (including mineral resource companies) and, as a result of these and other activities, such directors and officers may become subject to conflicts of interest. The BCBCA provides that in the event that a director has a material interest in a contract or proposed contract or agreement that is material to an issuer, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement, subject to and in accordance with the BCBCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the BCBCA.

Uninsurable Risks

Exploration, development and production operations on mineral properties involve numerous risks, including unexpected or unusual geological operating conditions, rock bursts, cave-ins, fires, floods, earthquakes and other environmental occurrences, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although precautions to minimize risk will be taken, operations are subject to hazards that may result in environmental pollution and consequent liability that could have a material adverse impact on the business, operations and financial performance of the Company. 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 other reasons. Should such liabilities arise, they could have an adverse impact on the Company's results of operations and financial condition and could cause a decline in the value of the Company's shares.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the financial statements requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities, as well as the reported revenues and expenses during the reporting period. Based on historical experience and current conditions, management makes assumptions that are believed to be reasonable under the circumstances. These estimates and assumptions form the basis for judgments about the carrying value of assets and liabilities and reported amounts for revenues and expenses. Different assumptions would result in different estimates, and actual results may differ from results based on these estimates. These estimates and assumptions are also affected by management's application of accounting policies. Critical accounting estimates are those that affect the condensed interim consolidated financial statements materially and involve a significant level of judgment by management.

Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

Significant estimates and judgements made by management in the preparation of these condensed interim consolidated financial statements are outlined below.

Global Pandemic
In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, customers, economies, and financial markets globally, potentially leading to an economic downturn. It has also disrupted the normal operations of many businesses, including the Company's. This outbreak could decrease spending, adversely affecting and harming the business and results of operations. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or results of operations at this time. As at April 30, 2022, there was no significant impact to the operations of the Company but could affect the ability of the Company to raise financing.

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

Income taxes
In assessing the probability of realizing income tax assets, management makes estimates related to expectation of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

Determination of functional currency
The Company determines the functional currency through an analysis of several indicators such as expenses and cash flow, financing activities, retention of operating cash flows, and frequency of transactions with the reporting entity.

Economic recoverability and probability of future economic benefits of exploration and evaluation assets
Management has determined that exploration, evaluation, and related costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including, geologic and other technical information, a history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, the quality and capacity of existing infrastructure facilities, evaluation of permitting and environmental issues and local support for the project.

Significant influence over another entity
The Company determines whether it can exercise significant influence over another entity through an analysis of several indicators including its percentage of share ownership, representation on the board of directors or equivalent governing body of the investee, participation in the policy-making process and periodic provision of essential technical information such as their financial position and performance.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

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

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

The fair value of the Company's receivable, share subscriptions receivable, accounts payable, due from and to related parties, demand loan, and promissory note approximates their carrying values. The Company's other financial instruments, being cash is measured at fair value using Level 1 inputs.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

(a) Credit risk

Credit risk is the risk of loss associated with a counter party's inability to fulfill its payment obligations. The Company's primary exposure to credit risk is on its cash accounts. Cash accounts are held with major banks in Canada. The Company has deposited its cash with a major bank from which management believes the risk of loss is low.

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's ability to continue as a going concern is dependent on management's ability to raise the required capital through future equity or debt issuances but there can be no assurance that such financing will be available on a timely basis under terms acceptable to the Company. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet liabilities when they become due. As at April 30, 2022, the Company had a cash balance of $18,296 and was required to settle liabilities of $1,494,273. Liquidity risk is assessed as high.

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(d) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. There is minimal interest rate risk as the Company's interest bearing debts are not subject to floating interest rates.

(e) Commodity Price risk

The ability of the Company to explore and develop its exploration and evaluation assets and the future profitability of the Company are directly related to the price of copper. The Company monitors copper prices to determine the appropriate course of action to be taken.

(f) Foreign currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company and its subsidiary's functional currency is the Canadian dollar. As at April 30, 2022, the Company does not have any significant monetary assets or liabilities in foreign currency; the Company has determined that there is very limited currency risk at this time.

(g) Capital management

The Company considers its cash and share capital as capital. 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 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. There was no change in the Company's approach to capital management during the six months ended April 30, 2022.

DISCLOSURE DATA FOR OUTSTANDING COMMON SHARES, OPTIONS, AND WARRANTS

Common Shares
The Company has one class of common shares and is authorized to issue an unlimited number of commons shares without par value. Below is a summary of the common shares issued, stock options, and share purchase warrants as at April 30, 2022 and as at the date of this report:

	As at April 30, 2022	As at Date of this Report
Common shares	235,084,812	235,084,812
Warrants	43,333,342	43,333,342

Stock Options
The Company has no stock options outstanding as at the date of this report.

Warrants
The following table summarizes the warrants outstanding and exercisable as at the date of this report:

Exercise price	Number outstanding	Expiry date
$		
0.05	43,333,342	September 10, 2024

MANAGEMENTS RESPONSIBILITY FOR FINANCIAL INFORMATION

The Company's condensed interim consolidated financial statements and the other financial information included in this management report are the responsibility of the Company's management and have been examined and approved by the Board of Directors.

The Company maintains internal control systems designed to ensure that financial information is relevant and reliable and that assets are safeguarded. Management recognizes its responsibility for conducting the Company's affairs in a manner to comply with the requirements of applicable laws and established financial standards and principles, and for maintaining proper standards of conduct in its activities.

EVALUATION OF DISCLOSURE CONTROLS & PROCEDURES

Management has evaluated the effectiveness of its disclosure controls and procedures and has concluded that they are sufficiently effective to provide reasonable assurance that material information relating to the Company is made known to management and disclosed in accordance with applicable securities regulations.

OTHER MD&A REQUIREMENTS

Additional information relating to the Company may be found on SEDAR at www.sedar.com or in:

- the Company's unaudited condensed interim consolidated financial statements for the three and six months ended April 30, 2022 and 2021; and
- the Company's audited consolidated financial statements for the years ended October 31, 2021 and 2020.

This MD&A has been approved by the Board of Directors of Blue River Resources Corp. on June 29, 2022.