

**E2GOLD INC.**

**INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS**

**QUARTERLY HIGHLIGHTS**

**THREE AND SIX MONTHS ENDED JANUARY 31, 2022**

**(EXPRESSED IN CANADIAN DOLLARS)**

The following interim Management's Discussion and Analysis ("**interim MD&A**") of the financial condition and results of the operation of E2Gold Inc. (the "**Company**" or "**E2Gold**") constitutes management's review of the factors that affected the Company's financial and operating performance for the three and six months ended January 31, 2022. This interim MD&A has been prepared in compliance with section 2.2.1 of Form 51-102F1, in accordance with National Instrument 51-102 – Continuous Disclosure Obligations. This interim MD&A should be read in conjunction with the audited financial statements of the Company for the fiscal year ended July 31, 2021 and 2020, together with the notes thereto, and the unaudited condensed interim financial statements of the Company for the three and six months ended January 31, 2022, together with the notes thereto. The unaudited condensed interim financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting. Information contained herein is presented as of March 28, 2022, unless otherwise indicated. Results are reported in Canadian dollars, unless otherwise noted. In the opinion of management, all adjustments (which consist only of normal recurring adjustments) considered necessary for a fair presentation have been included.

For the purposes of preparing this interim MD&A, management, in conjunction with the Board of Directors (the "**Board**"), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Common Shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

The January 31, 2022, unaudited condensed interim financial statements were prepared in accordance with accounting principles applicable to a going concern, which assumes that the Company will be able to realize its assets and discharge liabilities in the normal course of business. The Company's ability to continue as a going concern is always dependent on its ability to raise new funds to meet its obligations and continue its exploration activities.

Further information about the Company and its operations is available on the Company's website at [www.e2gold.ca](http://www.e2gold.ca) or on SEDAR at [www.sedar.com](http://www.sedar.com).

This interim MD&A contains forward-looking information as further described in the "Cautionary Note Regarding Forward-Looking Statements" at the end of this interim MD&A. Please also make reference to those risk factors identified or otherwise indirectly referenced in the "Risks and Uncertainties" also at the end of this interim MD&A.

## **OVERALL PERFORMANCE**

### **Description of Business and Nature of Operations**

The Company was incorporated pursuant to the *Business Corporations Act* (Ontario) under the name "5003754 Ontario Inc." on October 25, 2018. Articles of amendment were subsequently filed on February 11, 2020 to change the name of the Company to "E2Gold Inc." Articles of amendment were subsequently filed on October 14, 2020 to remove the private company restrictions contained in the articles of the Company. The Company's head office is located at 8 King Street East, Suite 1700, Toronto, Ontario M5C 1B5.

In December 2020, the Company completed its Initial Public Offering ("**IPO**") and its common shares commenced trading on the TSX Venture Exchange ("**TSXV**") at the opening of business on January 4, 2021. The common shares of the Company trades under the symbol "ETU".

On February 22, 2022, the Company announced that it received approval for trading its common shares in the United States on the OTCQB Market, under the symbol “ETUGF”, effective February 23, 2022. The Company’s common shares will continue to trade on the TSX Venture Exchange under the symbol “ETU”.

The principal business of the Company is the acquisition, exploration and evaluation of mineral properties and developing these properties further or disposing of them when evaluation is complete. Its principal project is the 75 km long Hawkins Gold Property located in the province of Ontario, Canada. Optioned from Pavey Ark in January 2020, the project is anchored by an at-surface Inferred Mineral Resource (The McKinnon Zone), compliant with National Instrument 43-101, of 6.2 million tonnes grading 1.65 g/t Au for 328,800 oz of gold. The Company intends to focus its exploration activities on the Hawkins Gold Property in the near term to determine its mineral potential.

## **TRENDS AND ECONOMIC CONDITIONS**

Management regularly monitors economic conditions and estimates their impact on the Company’s operations and incorporates these estimates in both short-term operating and longer-term strategic decisions.

On March 11, 2020, the World Health Organization declared the rapidly spreading COVID-19 outbreak as a global pandemic. The Company has closely monitored developments in the COVID-19 outbreak and is following all applicable governmental protocols in order to ensure the safety of the Company’s workforce and local communities. There have been no outbreaks of COVID-19 at the Company’s operations to date.

While the COVID-19 pandemic restrictions have been lifted by different level of governments over the last few months, material uncertainties may still arise that could influence management’s going concern assumption. In addition, management cannot accurately predict the future impact COVID-19 may have on the global gold prices, the demand for gold, the ability to explore for gold, the severity and if any new potential measures that might be taken by governments to manage a possible other wave and spread of the virus and their effect on labour and supply lines, the availability of common resources such as water and electricity and the Company’s ability to obtain funding.

Apart from this and the risk factors noted under the heading “Risks and Uncertainties”, management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company’s business, financial condition or results of operations.

## **OUTLOOK**

Since the IPO in December 2020, E2Gold has raised \$6.8 million in equity financings, allowing it to operate an aggressive early-stage exploration program on its Hawkins gold project. This program has included the completion of 37 diamond drill holes to-date, totaling - 13,048 metres of drilling. This program was completed in the first quarter of 2022.

As follow up to 2021 exploration activities, the Company anticipates a robust surface exploration program for much of 2022. Surface exploration will include mapping, prospecting, soil sampling, a structural analysis, geophysics, and other activities all aimed at developing drill targets on and around the Central Hawkins Corridor (the central 15km of the Hawkins Property containing the McKinnon Inferred Mineral Resource). Targets both on and off the McKinnon Zone trend will be assessed for gold potential as the Company attempts to build gold ounces through discovery.

Beyond the Central Hawkins Corridor, E2Gold also anticipates a greater push for regional exploration on its western claims (the “KB” Claims), as well as the eastern claim block. Targets have already been identified for follow up mapping and prospecting activities, with the aim of developing drill targets on these claims for 2023.

The Company was active on the property acquisition front. In September, it substantially increased the size of its flagship Hawkins property, essentially tripling its size through staking. The Company now controls most of the Kabinakagami Greenstone Belt.

The Company also recently optioned the Band-Ore property from Golden Share Resources Corporation (“Golden Share”). While the Band-Ore property fits perfectly with E2Gold’s Ontario portfolio, E2Gold intends to maintain its principal focus on the Hawkins property.

As a junior resource company, E2Gold has no income, and is reliant on capital markets for future funding. However, through its very active outreach, shareholder and marketing programs, the Company sees extensive interest in its activities, and monitors the capital markets and shareholder interest. Although the company is confident in securing future funding, there is no guarantee that such funding will come.

## **EXPLORATION UPDATE**

### **Hawkins Gold Property**

During summer and fall 2021, E2Gold focused its efforts on the central 15 km long Hawkins Township portion of the Hawkins project, in and around the McKinnon Zone Inferred Resource. Exploration activities included geological mapping and prospecting, outcrop stripping and channel sampling, borehole geophysical surveys, drilling and line cutting.

During the period covered by this report, E2Gold:

- Completed a 10,171 m drill program in 20 holes in and around the McKinnon Zone Inferred Resource. Three targets were tested: 1) A series of deep step-out holes below the McKinnon Zone, 2) selected shallow level step-out targets below and along strike with the McKinnon Zone, and 3) off-trend geophysical targets. A total of 1477 core samples were shipped for assay for the summer/fall phase 2 drill program. A total of 2811 samples were shipped for all 37 drill holes drilled to date. All expected assay results have been received.
- The Company also completed a large 2,941 line-km airborne magnetic survey over its western KB Claim Block, a 100 km<sup>2</sup> block of claims lying adjacent to, and west of, the Hawkins Township claims. In addition, field crews conducted geological and prospecting surveys over parts of the claim block. (see press release, October 28, 2021).
- Completed a re-processing of the KB claims airborne magnetic survey, identifying priority targets for follow-up work for the upcoming field program.
- Completed a 35.95 line-km pole-dipole “IP” survey over the defined area called Grid #3, in the central Hawkins claims block, west of the McKinnon Zone. (see press release March 23, 2022).
- Completed 11 stripped outcrops of which 9 were channel sampled in and along the western trend with the McKinnon Zone. Assays have been received for all 302 samples. There are also 124 grab samples from prospecting activities that have assays pending.

- Tripled the size of the Hawkins project through a massive staking program in August 2021 (see press release September 8, 2021).

Other activities related to the Hawkins project include downhole geophysical and tele-optical surveys on 11 drill holes, mineralogical studies (i.e. rock petrographic and microprobe studies) and geochemical studies, as well as ongoing reprocessing of geophysical, and mineral and whole rock geochemistry data.

Planning is underway for an anticipated robust exploration program in 2022.

### Other Properties

In addition to the Hawkins property, E2Gold has three other projects in Ontario: the Band-Ore, Copperfield, and Strathearn projects.

During the period, E2Gold optioned the 10 km-long Band-Ore gold project from Golden Share (see Press Release, October 14, 2021). Located approximately 75 km west of Thunder Bay, Ontario, in Hagey and Conacher Townships, the property consists of 109 staked mining claims, as well as 16 patented mining claims and one mining lease. The property hosts two historic mineral resources (not compliant with National Instrument 43-101): the Main Zone, with 706,000 tonnes grading 6.86 g/t gold for 155,728 ounces of gold, and the No. 4 Zone with 616,000 tonnes grading 4.84 g/t gold, for 95,668 ounces of gold.

Planning for 2022 exploration activities on the Band Ore property is underway, aimed at producing a drill-ready project by 2023. Initial work will likely consist of a site visit and possible – airborne magnetics and/or targeted an Induced Polarization survey.

The Strathearn and Copperfield projects are located to the southeast of E2Gold’s Hawkins Project, in Strathearn and Copperfield Townships, respectively. Both are early-stage greenfield properties, staked by E2Gold in early 2021, based on geophysical similarities to Newmont’s Borden Mine. During the period, a first-pass mapping and prospecting surveys were undertaken on both projects. Preliminary assessment reports were filed for these properties.

	Three months ended		Six months ended	
	January 31,		January 31,	
	2022	2021	2022	2021
<b>Hawkins Gold Property</b>				
Community relations	\$ 2,000	\$ 11,660	\$ 3,922	\$ 11,660
Depreciation	2,439	-	4,878	-
Drilling	880,813	41,243	1,896,777	41,243
Geology	209,931	90,029	537,336	405,762
Geophysics	198,046	131,259	278,638	143,901
Mineral property / claims	-	-	88,225	-
Option payments <sup>(1)</sup>	400,000	200,000	400,000	200,000
Resource estimates	-	5,400	-	50,550
	<b>\$1,693,229</b>	<b>\$ 479,591</b>	<b>\$ 3,209,776</b>	<b>\$ 853,116</b>

(1) \$400,000 includes \$200,000 in cash and 1,459,854 common shares valued at \$200,000.

	Three months ended January 31,		Six months ended January 31,	
	2022	2021	2022	2021
<b>Band-Ore Property</b>				
Geology	\$ 9,800	\$ -	\$ 40,371	\$ -
Mineral property / claims	1,213	-	1,213	-
Option payment	-	-	50,000	-
	<u>\$ 11,013</u>	<u>\$ -</u>	<u>\$ 91,584</u>	<u>\$ -</u>
<b>Other</b>				
General exploration	\$ 5,600	\$ 2,900	\$ 5,600	\$ 2,900
<b>TOTAL</b>	<u>\$1,709,842</u>	<u>\$ 482,491</u>	<u>\$ 3,306,960</u>	<u>\$ 856,016</u>

### Qualifying Statements

The foregoing scientific and technical disclosures for the Hawkins Gold Property have been reviewed by Eric Owens, PhD, PGeo, President and CEO of the Company, and Natalie Pietrzak-Renaud, PhD, PGeo, VP Exploration of the Company, both qualified persons as defined by National Instrument 43-101.

### Access to Properties

The Company's access to its Hawkins Gold property is dependent on climate and weather conditions but is generally accessible all year round.

## FINANCIAL HIGHLIGHTS

### Six months ended January 31, 2022 compared with six months ended January 31, 2021

For the six months ended January 31, 2022, the Company's loss totaled \$5,056,959, with basic and diluted loss per share of \$0.05. This compares with a loss of \$1,047,749 with basic diluted loss per share of \$0.02 for the six months ended January 31, 2021. The Company's only revenues are derived from interest income generated from cash held in interest bearing accounts and short-term GICs at the bank. The increase in loss was principally due to:

- Exploration and evaluation expenditures increased to \$3,306,960 for the six months ended January 31, 2022, compared to \$856,016 for the six months ended January 31, 2021. The increase related primarily to the drilling program at Hawkins as well as geophysical surveys and option payments also related to the Hawkins Gold Property. Acquisition and consulting costs related to the option of the Band-Ore Property also explain a portion of the increase. Refer to the heading "Exploration Update" above for a summary of the Company's exploration expenses by project.
- Professional fees increased in the six months ended January 31, 2022, to \$106,863 compared with \$53,803 for the same period in 2021, primarily due to higher corporate activities and listed company requirements.
- Management, director fees and salaries increased to \$508,254 for the six months ended January 31, 2022, compared to \$126,469 for the six months ended January 31, 2021. The increase is a direct reflection of a full six month of activities as a public company in 2022 versus one month in 2021. It includes management's time, administrative staff hired and implementation of fees for directors.
- Investor relations increased in the six months ended January 31, 2022, to \$491,375 compared with \$14,663 for the same period in 2021, primarily due to the implementation of an investor relations team, strategy and programs, including attending conferences, in order to increase the Company's visibility and profile with shareholders and investors.
- Share-based payments (non-cash) increased in the six months ended January 31, 2022, to \$859,939 compared with \$21,135 for the same period in 2021. The increase is directly due the grant of stock

options in August 2021, December 2021 and January 2022 for which a total of 8,320,000 stock options were granted.

- Premium on flow-through shares increased in the six months ended January 31, 2022, to \$394,082 compared to \$77,713 for the same period in 2021. This is also a non-cash item. The Company follows a policy whereby proceeds from flow-through share issuances are allocated between the offering price of the shares and the quoted market price of the same shares on closing. A liability is recognized for this difference and is extinguished by crediting premium on flow-through shares on a pro-rata basis as the flow-through eligible expenditures are made.

#### Three months ended January 31, 2022 compared with three months ended January 31, 2021

For the three months ended January 31, 2022, the Company's loss totaled \$2,320,808, with basic and diluted loss per share of \$0.02. This compares with a loss of \$594,916 with basic diluted loss per share of \$0.02 for the three months ended January 31, 2021. The Company's only revenues are derived from interest income generated from cash held in interest bearing accounts and short-term GICs at the bank. The increase in loss was principally due to:

- Exploration and evaluation expenditures increased to \$1,709,842 for the three months ended January 31, 2022, compared to \$482,491 for the three months ended January 31, 2021. The increase related primarily to the drilling program, geological expenses, geophysical surveys and cost related to the option of the Hawkins Gold. Refer to the heading "Exploration Update" above for a summary of the Company's exploration expenses by project.
- Professional fees increased in the three months ended January 31, 2022, to \$42,218 compared with \$22,331 for the same period in 2021, primarily due to higher corporate activities and listed company requirements.
- Management, director fees and salaries increased to \$287,875 for the three months ended January 31, 2022, compared to \$101,469 for the three months ended January 31, 2021. The increase is a direct reflection of a full quarter of activities as a public company in 2022 versus one month in 2021.
- Investor relations increased in the three months ended January 31, 2022, to \$283,098 compared with \$14,663 for the same period in 2021, primarily due to the increased investor relations activities.
- Share-based payments (non-cash) increased in the three months ended January 31, 2022, to \$116,395 compared with \$16,511 for the same period in 2021. The increase is directly due the grant of stock options in December 2021 and January 2022 for which a total of 1,470,000 stock option were granted.
- Premium on flow-through shares increased in the three months ended January 31, 2022, to \$168,051 compared to \$77,713 for the same period in 2021. This is also a non-cash item. The Company follows a policy whereby proceeds from flow-through share issuances are allocated between the offering price of the shares and the quoted market price of the same shares on closing. A liability is recognized for this difference and is extinguished by crediting premium on flow-through shares on a pro-rata basis as the flow-through eligible expenditures are made.

Overall, the successful IPO in December 2020 and subsequent listing on the TSXV in January 2021 enabled the Company to ramp up its exploration activities and to set up the administrative components related to operating a publicly listed company.

## **LIQUIDITY AND CAPITAL RESOURCES**

As at January 31, 2022, the Company had cash of \$969,838 and working capital of \$1,064,972 (excluding the flow-through share liability of \$142,854) as the flow-through share liability is not settled through cash payments. The Company's excess cash, when available, is deposited into interest-bearing accounts with major Canadian chartered banks.

The Company's total assets on January 31, 2022 were \$1,612,468 (July 31, 2021 - \$6,255,703) against total liabilities of \$484,256 (excluding non-cash flow-through share liability of \$142,854).

As at January 31, 2022, the Company had an HST receivable of \$415,524 and prepaid expenses of \$103,866 which included \$50,000 for a deposit on a drilling contract as well as \$30,546 in prepaid conference and \$7,899 in prepaid insurance.

### **Equity Financing**

The Company's exploration project is at an early stage and it has not yet been determined whether any of its properties contain economically recoverable ore. As a result, the Company has no current sources of revenue and has relied on the issuance of common shares to date in order to generate the funds required to further its project.

#### Private Placement

On March 17, 2022, the Company completed the following private placement: 5,615,000 units at a price of \$0.10 per unit for gross proceeds of \$561,500 and 5,609,454 flow-through units at a price of \$0.11 per flow-through unit for gross proceeds of \$617,040.

#### Stock Options

On August 17, 2021, the Company granted 6,850,000 stock options to directors, officers and consultants of the Company. The stock options are exercisable for a period of 3 years at a price of \$0.13 and vested immediately.

On November 17, 2021, the Company granted 250,000 stock options to a consultant at an exercise price of \$0.155 expiring on November 17, 2024 and vested immediately.

On December 6, 2021, the Company granted 1,000,000 stock options to a consultant at an exercise price of \$0.17 expiring on December 6, 2026. Vesting provisions of the stock options are as follows: 50% the date of grant and 50% 6 months after date of grant.

On January 20, 2022, the Company granted 220,000 stock options to employees of the Company. The stock options are exercisable for a period of 3 years at a price of \$0.135 and vested immediately.

#### Warrants

On November 8, 2021, 50,000 warrants with an exercise price of \$0.24 and expiry of December 30, 2023 were exercised for proceeds of \$12,000.

#### Shares for Services

On December 3, 2021, the Company issued 29,070 common shares valued at \$5,000 in consideration for geological services.



### Shares for Mineral Property

On January 28, 2022, the Company issued 1,459,854 common shares valued at \$200,000 in relation to the Hawkins option agreement.

The Company's ability to successfully acquire mineral projects or recover amounts expended on mineral properties is conditional on its ability to secure financing when required. The Company expects to meet additional financing requirements through equity financing. The Company may seek other alternatives for financing in the future depending on market conditions and exploration results; however, there can be no assurance that such financing attempts will be successful. The impact on the Company's business and the cost and availability of financing remain uncertain and could affect the overall liquidity of the Company. In addition, the ability to generate sufficient capital will depend on economic conditions and commodity prices.

There is no assurance that equity capital will be available to the Company in the future in the amounts or at the times desired or on terms that are acceptable to the Company, if at all. The listing of the common shares on the TSXV via the IPO is expected to provide additional opportunities for the Company to raise the necessary funds for its ongoing activities.

Management believes that it will be able to raise sufficient capital to meet the cash and expenditures commitments under the Hawkins Option Agreement and maintain the Hawkins Gold Property in good standing. The Company intends to continue reviewing other properties that have the potential to contain precious and base metals. In addition, management will review project submissions and conduct independent research for projects in such jurisdictions and commodities as it may consider prospective.

### **Commitments and Obligations**

As at January 31, 2022, the Company was required to incur approximately \$995,000 in qualifying exploration expenditures by December 31, 2022 to meet its flow-through commitments. At this time, management anticipates meeting that obligation and as a result, no additional provisions are required.

The Company entered into consulting agreements for the services of its officers. For the Chief Financial Officer ("CFO"), the agreement was effective October 1, 2020 and for the President and Chief Executive Officer ("CEO"), the Vice-President and the Vice-President Exploration, the agreements were effective January 1, 2021. Under the agreements, additional payments totaling \$798,000 are to be made upon the occurrence of a change of control. As a triggering event has not taken place, the contingent payments have not been reflected in the unaudited condensed interim financial statements for the three months ended October 31, 2021. Also, on July 15, 2020, the Company entered into a service agreement with a party who subsequently became a member of the Board on October 5, 2020. The aggregate commitment upon termination of the agreements is \$129,000. The minimum commitment due within one year under the terms of the agreements is \$600,000, in aggregate.

On October 14, 2021, the Company announced that it entered into an option agreement with Golden Share Resources Corporation ("Golden Share") in order to earn a 100% interest in the Band-Ore property. There are no work commitments, and the aggregate \$2,000,000 annual cash commitments for Earn-In are spread over 8 years as disclosed in the unaudited condensed interim financial statements for the three and six months ended January 31, 2022.

In addition, E2Gold will reimburse the costs incurred by the Optionor in connection with the preparation of a National Instrument 43-101 compliant technical report on the Band-Ore property, to a maximum amount of \$35,000, and reimburse tax payments to be incurred by Golden Share with respect to the 16 patented mining claims and the one leased mining claim. The completed 43-101 compliant Technical

Report was filed on Sedar on October 14, 2021. Golden Share will retain a 2% net smelter return royalty, one-half of which may be purchased by the Company by making a cash payment to the Golden Shares in the amount of (i) \$3,000,000 at any time up to the fifth anniversary of the date on which the Company earns its interest in the property (the “Acquisition Date”); (ii) \$5,000,000 at any time from the fifth anniversary of the Acquisition Date up to the 10th anniversary of the Acquisition Date; or (iii) \$10,000,000 at any time on or following the 10th anniversary of the Acquisition Date.

The Company has no long-term contractual obligations other than the option payments and the exploration expenditures requirements related to the Hawkins Option Agreement and Golden Share Agreement disclosed in the unaudited condensed interim financial statements for the three and six months ended January 31, 2022.

The Company's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations. As of January 31, 2022, the Company does not believe that there are any significant environmental obligations requiring material capital outlays in the immediate future.

### **OFF-BALANCE SHEET ARRANGEMENTS**

As of the date of this interim MD&A, the Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company including, without limitation, such considerations as liquidity and capital resources that have not previously been discussed.

### **TRANSACTIONS WITH RELATED PARTIES**

Related parties include the Board and management, close family and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

#### **a) Remuneration of directors and officers**

	<b>Three months ended January 31,</b>		<b>Six months ended January 31,</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
Management fees	\$ 207,469	\$ 89,469	\$ 356,375	\$ 114,469
Director fees	29,000	-	62,000	-
Consulting fees	23,606	-	59,912	-
Share-based payments	-	-	599,400	-
	<u>\$ 260,075</u>	<u>\$ 89,469</u>	<u>\$ 1,077,687</u>	<u>\$ 114,469</u>

During the three and six months ended January 31, 2022, the Company paid the following management fees:

- \$45,969 and \$80,875 respectively (three and six months ended January 31, 2021 - \$21,469 and \$26,469, respectively) to Bractea Enterprises Ltd. (“**Bractea**”), a corporation owned by Erik H. Martin, for services of Mr. Martin as CFO of the Company.
- \$42,500 and \$72,500 respectively (three and six months ended January 31, 2021 - \$10,000) to Invera Consulting, a business owned by Ellie Owens, for services of Ms. Owens as Vice-President of the

Company, as well as \$nil (three and six months ended January 31, 2021 - \$12,000 and \$32,000, respectively) to Ellie Owens.

- \$73,000 and \$121,000, respectively (three and six months ended January 31, 2021 - \$16,000) to Sheer Strategic Inc., a corporation owned by Eric Owens, for services of Mr. Owens as President and CEO of the Company as well as \$nil (three and six months ended January 31, 2021 - \$30,000) to Eric Owens.
- \$46,000 and \$82,000, respectively (three and six months ended January 31, 2021 - \$12,000) to Renaud Geological Consulting Ltd. (“RGC”), a corporation owned by Natalie Pietrzak-Renaud, for services of Mrs. Pietrzak-Renaud as Vice-President Exploration of the Company.

As at January 31, 2022, Bractea was owed \$12,084 (July 31, 2021 - \$5,684), Invera Consulting was owed \$11,300 (July 31, 2021 - \$11,300), Sheer Strategic Inc. was owed \$18,080 (July 31, 2021 - \$18,080) and RGC was owed \$18,732 (July 31, 2021 - \$22,941) and all these amounts were included in amounts payable and accrued liabilities at such date.

As at January 31, 2022, directors were owed \$12,650 (July 31, 2021 - \$nil) and this amount was included in amounts payable and accrued liabilities at such date.

#### **(b) Services rendered**

During the three and six months ended January 31, 2022, the Company paid fees the following:

- \$23,606 and \$54,912, respectively (three and six months ended January 31, 2021 - \$4,348) RGC, a corporation owned by Natalie Pietrzak-Renaud, the Vice-President Exploration of the Company, for fees and expense reimbursements which were included in exploration and evaluation expenditures.
- \$nil and \$5,000, respectively (three and six months ended January 31, 2021 - \$nil) for consulting fees to Sheer Strategic Inc., a corporation owned by Eric Owens, which were included in professional fees.
- \$nil (three and six months ended January 31, 2021 - \$6,960) for consulting fees to Laurel Duquette.
- \$nil (three and six months ended January 31, 2021 - \$42,000) for consulting fees related to the IPO to 5044563 Ontario Ltd., a company owned by Bereket Berhe, a director of the Company. This amount was included in share issue costs.

### **PROPOSED TRANSACTIONS**

The Company continues to evaluate quality exploration projects and financing opportunities. There are no transactions currently pending.

### **ADDITIONAL INFORMATION**

#### **Outstanding Shareholders' Equity Data**

As of March 28, 2022, the following are outstanding:

• Common Shares	108,130,993
• Stock Options	9,320,000
• Warrants	67,249,961

## **DISCLOSURE OF INTERNAL CONTROLS**

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence in that (i) the unaudited condensed interim financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the unaudited condensed interim financial statements, and (ii) the unaudited condensed interim financial statements fairly present in all material respects the financial condition, financial performance and cash flow of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing this certificate do not make any representations relating to the establishment and maintenance of:

- (i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- (ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of unaudited condensed interim financial statements for external purposes in accordance with the issuer's generally accepted accounting principles (IFRS).

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in the certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

## **RISKS AND UNCERTAINTIES**

The exploration, development and mining of mineral resources are highly speculative in nature and are subject to significant risks. In addition to the usual risks associated with an investment in a business at an early stage of development, management and the directors of the Company believe that, in particular, the risk factors should be considered by prospective investors. It should be noted that such list is not exhaustive and that other risk factors may apply. An investment in the Company may not be suitable for all investors. Please refer to the section entitled "Risks and Uncertainties" in the Company's annual MD&A for the year ended July 31, 2021, available on SEDAR at [www.sedar.com](http://www.sedar.com).

**CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This interim MD&A contains certain “forward-looking information” as defined in applicable securities laws (collectively referred to herein as “**forward-looking statements**”). These statements relate to future events or the Company’s future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects”, “budgeted”, “scheduled”, “estimates”, “continues”, “forecasts”, “projects”, “predicts”, “intends”, “anticipates” or “believes”, or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results “may”, “could”, “would”, “should”, “might” or “will” be taken, occur or be achieved. The forward-looking statements in this interim MD&A speak only as of the date of this interim MD&A or as of the date specified in such statements. The following table outlines certain significant forward-looking statements contained in this interim MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

<b>Forward-Looking Statement</b>	<b>Assumptions</b>	<b>Risk Factors</b>
<p>The Company will be able to continue its business activities and exploration of its property interests as currently planned, including completion of Phase I and II of the recommended program on the Hawkins Gold Project and the use of proceeds of the private placements, consistent with the anticipated timelines as contemplated herein.</p>	<p>The Company has anticipated all material costs and risks associated with its proposed exploration and development plans, and such costs and activities will be consistent with the Company’s current expectations; the Company will be able to obtain funding and permitting as required; the absence of Indigenous claims or title disputes; the results of Phase I of the recommended program will warrant the completion of Phase II of the recommended program.</p>	<p>Unforeseen costs to the Company or delays will arise; ongoing uncertainties relating to the COVID-19 virus; any particular operating cost increase or decrease from the date of the estimation; capital markets being unfavourable for funding resulting in the Company not being able to obtain financing on acceptable terms when required or at all; unavailability of key personnel or necessary permits; Indigenous claims or title disputes; revisions to the Company’s proposed activities as plans continue to be refined.</p>
<p>The Company will be successful in potentially acquiring additional properties that are prospective for Mineral Resources.</p>	<p>The Company will be successful in identifying and acquiring properties which meet its acquisition criteria on acceptable terms; the Company will be able to obtain sufficient funding.</p>	<p>Significant expenses required to identify and acquire properties which are prospective for Mineral Resources; environmental risks; risks associated with land title; the competition faced by the Company; the potential failure of the Company to generate adequate funding for any such acquisitions.</p>

<p>The net proceeds raised pursuant to the private placements, together with existing cash on hand of the Company, are expected to fund completion of Phases I and II of the recommended program on the Hawkins Gold Project, cash payments required under the Hawkins Gold Project and the monthly working capital requirements of the Company for at least 12 months following January 31, 2022.</p>	<p>The Company has anticipated all material costs and risks associated with its proposed exploration and development plans and working capital requirements, and such costs and activities will be consistent with the Company's current expectations; the Company will be able to obtain funding as required; the absence of Indigenous claims or title disputes.</p>	<p>Unforeseen costs to the Company will arise; ongoing uncertainties relating to the COVID-19 virus; any particular operating cost increase from the date of the estimation; capital markets being unfavourable for funding resulting in the Company not being able to obtain financing on acceptable terms when required or at all; Indigenous claims or title disputes; revisions to the Company's proposed activities as plans continue to be refined.</p>
<p>The Company's strategy of continuing to explore the Hawkins Gold Project and seek out other prospective mineral properties to acquire until such time as the capital markets stabilize will enable it to meet any near-term challenges presented by fluctuations in the capital markets while maintaining the momentum on key initiatives.</p>	<p>The Company has anticipated all material costs and risks associated with its proposed plans, and such costs and activities will be consistent with the Company's current expectations; the Company will be able to obtain funding and permitting as required; the absence of Indigenous claims or title disputes; the results of Phase I of the recommended program will warrant the completion of Phase II of the recommended program.</p>	<p>Unforeseen costs to the Company or delays will arise; ongoing uncertainties relating to the COVID-19 virus; any particular operating cost increase or decrease from the date of the estimation; the Company not being able to obtain financing on acceptable terms when required or at all; unavailability of key personnel or necessary permits; Indigenous claims or title disputes; revisions to the Company's proposed activities as plans continue to be refined.</p>
<p>As of January 31, 2022, the Company does not believe that there are any significant environmental obligations requiring material capital outlays in the immediate future.</p>	<p>The Company has anticipated all material environmental obligations and related risks and costs and risks associated with its property interests, and such obligations, risks and costs will be consistent with the Company's current expectations.</p>	<p>Unforeseen obligations or costs to the Company will arise or increase following the date of the original estimation; revisions to the Company's proposed activities as plans continue to be refined.</p>
<p>Current financial markets are likely to be volatile in Canada and the price of gold and other minerals may fluctuate.</p>	<p>The stock and commodity markets will remain volatile for the foreseeable future as a result of the COVID-19 pandemic, and other political, financial and other market considerations.</p>	<p>Unforeseen impacts of the COVID-19 pandemic or other political, financial and/or other market considerations.</p>

<p>Management believes that it will be able to raise sufficient capital to meet the cash and expenditures commitments under the Hawkins Option Agreement and keep the Hawkins Gold Project in good standing.</p>	<p>The Company has anticipated all material costs and risks associated with its proposed exploration and development plans, and such costs and activities will be consistent with the Company's current expectations; the Company will be able to obtain funding and permitting as required; the absence of Indigenous claims or title disputes; the results of Phase I of the recommended program will warrant the completion of Phase II of the recommended program.</p>	<p>Unforeseen costs to the Company or delays will arise; ongoing uncertainties relating to the COVID-19 virus; any particular operating cost increase or decrease from the date of the estimation; capital markets being unfavourable for funding resulting in the Company not being able to obtain financing on acceptable terms when required or at all; unavailability of key personnel or necessary permits; Indigenous claims or title disputes; revisions to the Company's proposed activities as plans continue to be refined.</p>
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