EMINENT GOLD CORP.

MANAGEMENT DISCUSSION & ANALYSIS

For the three and six months ended June 30, 2021

August 30, 2021

This Management Discussion and Analysis ("MD&A") of Eminent Gold Corp. (formerly Navy Resources Corp.) ("Eminent" or the "Company") has been prepared by management as of August 30, 2021.

This management's discussion and analysis ("MD&A") is provided to enable the reader to assess material changes in financial condition and results of operations of the Company for the fiscal period ended June 30, 2021. This MD&A should be read in conjunction with the audited consolidated financial statements of the Company for the fiscal three months ended June 30, 2021, prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). This MD&A complements and supplements but does not form part of the Company's consolidated financial statements.

This MD&A contains forward-looking statements. Statements regarding the adequacy of cash resources to carry out the Company's exploration programs or the need for future financing are forward-looking statements. All forward-looking statements, including those not specifically identified herein, are made subject to cautionary language on page 12. Readers are advised to refer to the cautionary language when reading any forward-looking statements.

All dollar amounts contained herein are expressed in Canadian dollars unless otherwise indicated. This MD&A has been prepared as of August 30, 2021.

Over-all Performance

The Company was incorporated in the Province of British Columbia on May 5, 2011.

The Company is domiciled in Canada and its office is at 3876 Georgia St. Burnaby, BC. The Company is an exploration stage company.

On September 18, 2019, the Company issued 7,350,000 common shares for proceeds of $735,000 and issued 2,480,080 common shares to settle promissory notes payable and interest in the amount of $248,080.

On April 20, 2020 the Company issued 100,000 common shares as an option payment on the Hot Springs Property.

On September 17, 2020, the Company issued 11,000,080 common shares for proceeds of $2,200,016. The Company incurred share issuance costs of $53,329 related to these share issuances.

On September 17, 2020, the Company issued 2,200,000 stock options with an exercise price of $0.25 and a term of 5 years.

On October 26, 2020, the Company issued 100,000 stock options with an exercise price of $0.45 and a term of 5 years.

On December 23, 2020 the Company issued 55,000 common shares as an option payment on the Weepah Property.

On February 23, 2021 the Company issued 150,000 common shares as an option payment on the Spanish Moon District.

On March 18, 2021, the Company issued 150,000 stock option with an exercise price of $0.79 and a term of 5 years.

On April 14, 2021 the Company issued 50,000 common shares as an option payment on the Spanish Moon District.

On April 16, 2021 the Company issued 150,000 common shares as an option payment on the Hot Springs Property.

On June 3, 2021, the Company issued 4,386,858 common shares for proceeds of $2,981,921. The Company incurred share issuance costs of $88,880 related to these share issuances.

On July 12, 2021, the Company issued 50,000 common shares with a fair value of $42,500 in relation to the Gilbert South Property.

Hot Springs Property

On April 20, 2020, the Company received regulatory approval to complete an option agreement under which the Company may earn a 100% interest in 168 unpatented mining claims covering approximately 1,375 hectares, located in Humboldt County, Nevada. Under the terms of the agreement, the Company has up to five years to make cumulative cash payments of USD $136,140 and cumulative share payments of 1,650,000 common shares in the capital of the Company, followed by a $1,500,000 payment payable in cash or common shares at the option of the Company. The vendor retains a net smelter royalty of 2% which the Company may purchase in 0.1% increments for USD$100,000 for each increment up to maximum of 1%. In addition, the Company staked an additional 111 claims totalling 927 hectares adjacent to the property subject to the option terms.

Details of payments are as outlined below:

Latest Payment Date	Cash (USD)		Shares		Balloon Payment
Effective Date	$36,140	(paid)	100,000	(issued)	
First Anniversary	$25,000	(paid)	150,000	(issued)	
Second Anniversary	$25,000		300,000		
Third Anniversary	$25,000		300,000		
Fourth Anniversary	$25,000		300,000		
Fifth Anniversary	nil		500,000		$1,500,000
Total	$136,140		1,650,000		$1,500,000

Weepah

On December 14, 2020 the Company entered into an option agreement to acquire a 100% interest in the Weepah claims in Esmeralda County, Nevada, USA. In order to acquire the option, the Company is required to pay payments of US $1,000,000, and issue 500,000 common shares. The Company issued to a finder 5,000 common shares with a fair value of $3,150 and will pay US$5,000 in cash. The optionor maintain a 3% net smelter royalty. The Company may make cumulative payments of US$2,500,000 to reduce the royalties payable on the entirety of the property to 2%.

A summary of payments is outlined below:

Latest Payment Date	Cash (USD)		Shares	
Effective Date	$50,000	(paid)	-	
5 days of exchange approval	-		50,000	(issued)
First Anniversary	$100,000		100,000	
Second Anniversary	$200,000		150,000	
Third Anniversary	$250,000		200,000	
Fourth Anniversary	$400,000		-	
Total	$1,000,000		500,000	

On October 20, 2020, the Company paid one optionor US$12,540 for the claims and paid US$10,000 for the royalty. The Company is required to pay annual royalty of US$25,000 for both optionors thereafter.

Spanish Moon District

On January 27, 2021, the Company entered into an option agreements to acquire 100% of the Spanish Moon Property and 87.5% of the Barcelona Property, collectively known as the Spanish Moon District, by making cumulative cash payments of USD$1,395,000 and issuing 1,250,000 common shares. There optionors maintain a Net Smelter Royalty (NSR) of 3% on the Property. The Company may make cumulative payments of US$1.0 million to reduce the royalties payable on the entirety of the Property to 2%. The Company is responsible for Property holding costs during the duration of the option agreement.

A summary of payments on the Spanish Moon property is outlined below:

Latest Payment Date	Cash (USD)		Shares	
Effective Date	$50,000	(paid)	-	
5 days of exchange approval	-		150,000	(issued)
First Anniversary	$75,000		150,000	
Second Anniversary	$125,000		200,000	
Third Anniversary	$250,000		250,000	
Fourth Anniversary	$250,000		-	
Total	$750,000		750,000	

A summary of payments on the Barcelona property is outlined below:

Latest Payment Date	Cash (USD)		Shares	
Effective Date	$20,000	(paid)	-	
5 days of exchange approval	-		50,000	(issued)
First Anniversary	$25,000		50,000	
Second Anniversary	$25,000		100,000	
Third Anniversary	$25,000		100,000	
Fourth Anniversary	$25,000		200,000	
Firth Anniversary	$525,000		-	
Total	$645,000		500,000	

Gilbert South

On June 24, 2021 the Company entered into an option agreement to acquire a 100% interest in the Gilbert South Project in Nevada, USA. In order to acquire the option, the Company is required to make payments of US $875,000, issue 500,000 common shares and incur US $100,000 in expenditures.

A summary of payments is outlined below:

Latest Payment Date	Cash (USD)		Shares	
Effective Date	$25,000	(paid)	50,000	(issued)
First Anniversary	$50,000		100,000	
Second Anniversary	$100,000		150,000	
Third Anniversary	$100,000		200,000	
Fourth Anniversary	$100,000		-	
Firth Anniversary	$500,000		-	
Total	$875,000		500,000	

Costs incurred with respect to the properties are summarized below:

	Hot Springs	Weepah	Spanish Moon District	Gilbert South	Total
Acquisition Costs					
Balance, December 31, 2020	$ 157,908	$ 127,410	$ 49,139	$ -	$ 334,457
Additions	196,712	79,093	228,831	19,181	523,817
Balance, June 30, 2021	354,620	206,503	277,970	19,181	858,274
Deferred Exploration Costs					
Balance, December 31, 2020	442,855	6,255	-	-	449,110
Consulting	23,578	147,578	47,320	720	219,196
Analytics	-	-	3,750	-	3,750
Rock Sampling	-	114,535	-	-	114,535
Geophysics	124,162	25,000	-	-	149,162
Assays	11,780	167,512	-	-	179,292
Other	6,522	24,316	15,897	-	46,735
Balance, June 30, 2021	608,897	485,196	66,967	720	1,161,780
Total					
Balance, December 31, 2020	$ 600,763	$ 133,665	$ 49,139	$ -	$ 783,567
Balance, June 30, 2021	$ 963,517	$ 691,699	$ 344,937	$ 19,901	$ 2,020,054

Results of Operations

Three Months Ended June 30, 2021

For the three months ended June 30, 2021 and 2020, the Company reported net losses of $343,323 and $125,741, respectively.

The net loss before income taxes during the three months ended June 30, 2021 and 2020 are summarized below.

	2021	2020
General and administrative	$ 48,598	$ 1,546
Exploration	66,165	-
Professional fees	30,255	13,852
Consulting fees	76,585	105,250
Stock based compensation	86,075	-
Transfer agent and filing fees	35,645	5,093
Net and comprehensive loss	$ 343,323	$ 125,741

Net and comprehensive loss increased by $217,582 primarily as a result of exploration expense increasing $66,165, general and administrative increasing $47,052, professional fees increasing $16,403, transfer agent and filing fees increasing $30,552 and a stock-based compensation charge of $86,075. The Company anticipates expenses to remain consistent with the quarter ended June 30, 2021 as the Company continues focusing efforts on the Hot Springs Property, the Weepah Property, the Spanish Moon District, the Gilbert South Property and evaluating additional properties.

Results of Operations

Six Months Ended June 30, 2021

For the six months ended June 30, 2021 and 2020, the Company reported net losses of $623,983 and $173,410, respectively.

The net loss before income taxes during the six months ended June 30, 2021 and 2020 are summarized below.

	2021	2020
General and administrative	$ 87,774	$ 4,119
Exploration	129,971	-
Professional fees	43,058	25,695
Consulting fees	156,315	120,250
Stock based compensation	160,825	-
Transfer agent and filing fees	46,040	9,696
Net and comprehensive loss	$ 623,983	$ 173,410

Net and comprehensive loss increased by $450,573 primarily as a result of consulting fees increasing $36,065, exploration expense increasing $129,971, professional fees increasing $17,363, general and administrative increasing $83,655, transfer agent and filing fees increasing $36,344 and a stock based compensation charge of $160,825. The Company anticipates expenses to remain consistent with the quarter ended June 30, 2021 as the Company continues focusing efforts on the Hot Springs Property, the Weepah Property, the Spanish Moon District, the Gilbert South Property and evaluating additional properties.

Summary of Quarterly Results

	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019
Net Income (Loss) for the period	$(343,323)	$(280,660)	$(152,040)	$(947,138)	$(125,741)	$(47,669)	$(25,829)	$(19,033)
Income (Loss) per share	$ (0.01)	$ (0.01)	$ (0.00)	$ (0.04)	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)

During fiscal 2019, the Companies quarterly results were consistent as the Company did not have a property and thus operating expenditures were focused on consulting fees, professional fees, transfer agent and filing fees and interest charges.

Fiscal 2020's quarterly results have remained consistent from quarter to quarter as the Company continues to increase activity related to financing and investing activities. 2020 Q3 was significantly increased compared to the other periods as a result of stock options issued during the quarter. 2021 Q1 and Q2 has increased compared to previous periods as a result of stock options being granted in the quarter.

Liquidity and Capital Resources

The Company reported a working capital of $3,033,672 at June 30, 2021 compared to working capital of $1,496,896 as at December 31, 2020. The increase is a result of the private placement that closed in June 2021 offset by investing and operating activities that occurred during the six months ended June 30, 2021. At June 30, 2021, the Company had cash on hand of $3,052,162 (December 31, 2020 - $1,564,945).

Current assets excluding cash at June 30, 2021 consisted of receivables of $16,927 which consists of GST receivable (December 31, 2020 - $22,265) and prepaid expenses of $231,327 (December 31, 2020 - $43,310).

Current liabilities at June 30, 2021 consist of accounts payable and accrued liabilities of $266,744 (December 31, 2020 - $133,624).

There can be no assurance that the Company will have sufficient financing to meet its future capital requirements or that additional financing will be available on terms acceptable to the Company in the future.

Off-Balance Sheet Arrangements

The Company does not utilize off-balance sheet arrangements.

Transactions with Related Parties

During the three and six months ended June 30, 2021, the Company paid 1950 Consulting Services Ltd., a Company controlled by an officer and director $22,500 and $45,000 (2020 - $15,000 and $30,000) for consulting services and paid NW Capital Corp. a Company controlled by an officer and director, $Nil and $Nil (2020 - $2,250 and $4,500) for rent.

During the three and six months ended June 30, 2021, the Company paid PBJR Consulting Inc., a Company controlled by an officer and director, $45,000 and $90,000 (2020 - $Nil and $Nil) for consulting services.

During the three and six months ended June 30, 2021, the Company paid a director $13,050 and $13,050 (2020 - $Nil and $Nil) for consulting and exploration services and paid the same director $26,100 and $26,100 for consulting fees included in exploration and evaluation activities (2020: $Nil and $Nil).

During the three and six months ended June 30, 2021, included in stock-based compensation is $86,075 and $160,825 (2020 - $Nil and $Nil) related to stock options granted to directors.

Included in accounts payable is $33,334 (2020 - $30,866) owing to a director and an officer of the Company.

Proposed Transactions

At the time of this report, the Company is not contemplating any proposed transactions.

Critical Accounting Estimates

Not applicable to Venture Issuers.

Changes in Accounting Policies including Initial Adoption

The Company has adopted the following new accounting standard and interpretation:

IFRS 16, Leases (effective January 1, 2019) introduced new requirements for the classification and measurement of leases. Under IFRS 16, a lessee no longer classifies leases as operating or financing and records all leases on the condensed consolidated statement of financial position, unless the lease term is 12 months or less or the underlying asset has a low value. The Company has applied a modified retrospective transition approach. The Company does not have any leases, and as a result, this standard had no impact on the Company's financial statements on adoption.

IFRIC 23, Uncertainty over Income Tax Treatments (effective January 1, 2019) provides guidance when there is uncertainty over income tax treatments including, but not limited to, whether uncertain tax treatments should be considered separately; assumptions made about the examination of tax treatments by tax authorities; the determination of taxable profit, tax bases, unused tax losses, unused tax credits, and tax rates; and, the impact of changes in facts and circumstances. This interpretation did not have an impact on the Company's financial statements.

Risk Factors

Exploration-stage mineral exploration companies face a variety of risks and, while unable to eliminate all of them, Eminent aims at managing and reducing such risks as much as possible. Few exploration projects successfully achieve development stage, due to factors that cannot be predicted or anticipated, and even one such factor may result in the economic viability of a project being detrimentally impacted such that it is neither feasible nor practical to proceed. Eminent closely monitors its activities and those factors that could impact them, and employs experienced consultants to assist in its risk management and to make timely adequate decisions. Environmental laws and regulations could also impact the viability of a project. Eminent has ensured that it has complied with these regulations, but there can be changes in legislation outside Eminent's control that could also add a risk factor to a project.

Financial Instruments and Other Instruments

The carrying amounts of cash, receivables, and accounts payable approximate fair value because of the short-term maturity of these items.

Other Requirements

Summary of Outstanding Share Data as at August 30, 2021:

Authorized: Unlimited number of common shares without par value.

Issued and outstanding: 42,972,738 common shares.

Options

Expiry date	Options outstanding	Exercise price	
September 17, 2025	2,200,000	$	0. 25
October 26, 2025	100,000	$	0. 45
March 18, 2026	150,000	$	0. 79
June 30, 2026	150,000	$	0. 95

Warrants

The Company has no warrants outstanding.

Outlook

The Company may require additional funding for its corporate and overhead expenses in the immediate future, as any increase in corporate activity or material acquisition will require additional financing. Many factors influence the Company's ability to raise funds, including the health of the capital market and the Company's track record. There is no guarantee that the Company will be able to secure additional financings in the future at terms that are favourable, or at all.

Risks and Uncertainties

The Company's business remains mineral property acquisition, exploration and development business and as a result it may be exposed to a number of operational, financial, regulatory and other risks and uncertainties that are typical in the natural resource industry and common to other companies in the exploration and development stage. These risks may not be the only risks faced by the Company. Additional risks and uncertainties not presently known by the Company or which are presently considered immaterial could adversely impact the Company's business, results of operations, and financial performance in future periods.

COVID-19 Pandemic

The Company's business, operations, and financial condition, and the market price of the common shares could be materially and adversely affected by the outbreak of epidemics or pandemics or other health crises, including the recent outbreak of COVID-19. To date, there have been a large number of temporary business closures, quarantines, and a general reduction in consumer activity in a number of countries. The outbreak has caused companies and various international jurisdictions to impose travel, gathering and other public health restrictions. While these effects are expected to be temporary, the duration of the various disruptions to businesses locally and internationally and the related financial impact cannot be reasonably estimated at this time. Similarly, the Company cannot estimate whether or to what extent this outbreak and the potential financial impact may extend to countries outside of those currently impacted. Such public health crises can result in volatility and disruptions in the supply and demand for precious and base metals, global supply chains and financial markets, as well as declining trade and market sentiment and reduced mobility of people, all of which could affect commodity prices, interest rates, credit ratings, credit risk, share prices and inflation. The risks to the Company of such public health crises also include risks to employee health and safety, a slowdown or temporary suspension of operations in geographic locations impacted by an outbreak, increased labour and fuel costs, regulatory changes, political or economic instabilities or civil unrest. At this point, the extent to which COVID-19 will or may impact the Company is uncertain and these factors are beyond the Company's control; however, it is possible that COVID-19 may have a material adverse effect on the Company's business, results of operations, and financial condition and the market price of the common shares.

Need for Additional Funding

Further funding may be required by the Company to continue as a going concern. There is no guarantee that the Company will be able to raise sufficient funds. In addition, any future financing may be dilutive to existing shareholders of the Company. Many factors influence the Company's ability to raise funds, including the health of the capital markets, the climate for mineral exploration investment and the Company's track record. Actual funding requirements may vary from those planned due to a number of factors, including the acquisition of new projects. Management is continually assessing the Company's cash needs and potential sources of financing but recognizes there may be some difficulty obtaining such financing due to the current market conditions. There is no guarantee that the Company will be able to secure additional financing in the future at terms that are favourable, or at all.

Share Price Fluctuations

Securities markets have at times in the past experienced a high degree of price and volume volatility, and the market price of securities of many companies, particularly those considered to be exploration stage companies such as the Company, have experienced wide fluctuations in share prices which have not necessarily been related to their operating performance, underlying asset values or prospects. There can be no assurance that these kinds of share price fluctuations will not occur in the future, and if they do occur, how severe the impact may be on the Company's ability to raise additional funds through equity issues.

Exploration stage risks

Exploration for mineral resources involves a high degree of risk, the cost of conducting programs may be substantial and the likelihood of success is difficult to assess.

Resource exploration and development is a highly speculative business, characterized by a number of significant risks including, but not limited to, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. Few exploration projects successfully achieve development due to factors that cannot be predicted or anticipated, and even one such factor may result in the economic viability of a project being detrimentally impacted such that it is neither feasible nor practical to proceed. The Company closely monitors its activities and those factors that could negatively impact it and employs experienced consultants and key management to assist in its risk management and to make timely decisions regarding future property expenditures.

Other risks associated with projects in the exploration and development stage which could cause delays or prohibit the progress of the overall project include delays in obtaining required government approvals and permits and the inability to obtain suitable or adequate machinery, equipment, road access, power or labour.

No Known Mineral Reserves or Mineral Resources

There are no known bodies of commercial minerals on the Company's mineral properties. The exploration programs undertaken and proposed constitute an exploratory search for mineral resources and mineral reserves or programs to qualify identified mineralization as mineral reserves. There is no assurance that the Company will be successful in its search for mineral resources and mineral reserves.

Metal price risk

The Company is exposed to commodity price risk. Declines in the market price of gold, base metals and other minerals may adversely affect the Company's ability to raise capital in order to fund its ongoing operations. Commodity price declines could also reduce the amount the Company would receive on the disposition of any its mineral property interests to a third party.

Operating Hazards and Risks

The Company's operations are subject to hazards and risks normally associated with the exploration of mineral properties, any of which could cause delays in the progress of the Company's exploration plans, damage to or destruction of property, loss of life and/or environmental damage. Some of these risks include, but are not limited to, unexpected or unusual geological formations; rock bursts, cave-ins, fires, flooding and earthquakes; unanticipated changes in metallurgical characteristics and mineral recovery, unanticipated ground or water conditions, industrial or labour disputes, hazardous weather conditions, cost overruns, land claims and other unforeseen events may occur. A combination of experience, knowledge and careful evaluation may not be able to overcome these risks.

The nature of these risks is such that liabilities might exceed any insurance policy limits, the liabilities and hazards might not be insurable or the Company might not elect to insure itself against such liabilities due to high premium costs or other factors. Such liabilities may have a materially adverse effect on the Company's financial condition and operations and could reduce or eliminate any future profitability and result in increased costs and a decline in the value of the securities of the Company.

Environmental risk

The Company seeks to operate within environmental protection standards that meet or exceed existing requirements in the country in which the Company operates. Present or future laws and regulations and third party opposition, however, may affect the Company's operations. Future environmental costs may increase due to changing requirements or costs associated with exploring, developing, operating and closing of mines. Programs may also be delayed or prohibited in certain areas. The costs of complying with changes in governmental regulations can negatively impact the Company's financial performance.

Reliance on key personnel

The success of the Company's operations and activities is dependent to a significant extent on the efforts and abilities of its senior management team, as well as outside contractors, experts and its partners. The loss of one or more members of senior management, key employees, contractors or partners, if not replaced, could have a material adverse effect on the Company's business, results of operations and financial performance.

Title to Properties

Although the Company has or will receive title opinions for any material properties in which it has an interest, there is no guarantee that title to such properties will not be challenged or impugned. The Company's properties may be subject to prior unregistered agreements or transfers or indigenous land claims and title may be affected by unidentified or unknown defects. Title insurance is generally not available for mineral properties and the Company's ability to ensure that it has obtained secure claims to individual mineral properties or mining concessions may be constrained. A successful challenge to the Company's title to a property or to the precise area and location of a property could cause delays or stoppages to the Company's exploration activities or loss of the Company's rights to explore, develop and extract any ore on that property without reimbursement to the Company. Any such delays, stoppages or loss of title would likely have a material adverse effect on the Company's business, financial condition and results of operations.

Conflicts of Interest

The Company's directors and officers may serve as directors or officers, or may be associated with, other reporting companies, or have significant shareholdings in other companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions, or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding on terms with respect to the transaction. If a conflict of interest arises, the Company will follow the provisions of the BC *Business Corporations Act* ("BCBCA") dealing with conflict of interest. These provisions state that where a director has such a conflict, that director must, at a meeting of the Company's directors, disclose his or her interest and refrain from voting on the matter unless otherwise permitted by the BCBCA. In accordance with the laws of the Province of British Columbia, the directors and officers of Eminent are required to act honestly, in good faith, and in the best interest of Eminent.

Substantial Expenditures Are Required

Substantial expenditures are required to establish mineral reserves through drilling and the estimation of mineral reserves or mineral resources in accordance with the CIM Definition Standards. Although significant benefits may be derived from the discovery of a major mineralized deposit, the Company may not discover minerals in sufficient quantities or grades to justify a commercial mining operation and the funds required for development may not be obtained on a timely basis or may not be obtainable on terms acceptable to the Company. Estimates of mineral reserves and mineral resources can also be affected by environmental factors, unforeseen technical difficulties and unusual or unexpected geological formations. In addition, the grades of minerals ultimately mined may differ from those indicated by drilling results. Material changes in mineral reserve or mineral resource estimates, grades, stripping ratios or recovery rates may affect the economic viability of any project.

Inaccurate Estimates

Unless otherwise indicated, mineralization figures presented by the Company in filings with securities regulatory authorities, press releases and other public statements that may be made from time to time, are based upon estimates made by Company personnel and independent geologists. These estimates are inherently imprecise, as they depend upon geological interpretation and statistical inferences drawn from drilling and sampling analysis, which may prove to be unreliable. As a result, there can be no assurance that mineral resource or other mineralization figures or estimates of costs (including initial capital costs and initial capital intensity) and expenses will be accurate, nor that the resource mineralization could be mined or processed profitably.

Governmental Regulation

The Company's assets and activities are subject to extensive Canadian and US federal, provincial, state, territorial and local laws and regulations governing various matters, including, but not limited to: land access, use and ownership; water use; environmental protection; social consultation and investment; management and use of toxic substances and explosives; rights over and management of natural resources, including minerals and water; prospection, exploration, development and construction of mines, production and reclamation; exports and imports; taxation; mining royalties; restrictions on the movement of capital into and out of the United States (which could impact the Company's ability to repatriate funds to Canada); importation of equipment and goods; transportation; hiring practices and labour standards by the Company and contractors, as well as occupational health and safety, including mine safety; reporting requirements related to investment, social and environmental impacts, health and safety, and other matters; processes for preventing, controlling or halting artisanal or illegal mining activities; and historic and cultural preservation.

The costs and efforts associated with compliance with laws and regulations are already substantial and future laws and regulations, changes to existing laws and regulations or more stringent application and enforcement of current laws and regulations by governmental authorities, could cause additional expenses, capital expenditures, delays in the development of the Company's property, and even restrictions on or suspensions of Company operations. Moreover, these laws and regulations may allow governmental authorities and private parties to bring complaints or lawsuits against the Company based upon alleged damage to property and/or injury to persons resulting from the environmental, health and safety impacts of the Company's past and current operations, or possibly even actions or inaction by parties from whom the Company acquired its property, and could lead to the imposition of substantial financial judgments, fines, penalties or other civil or criminal sanctions.

It is challenging to comply strictly with all of the norms that apply to the Company. The Company retains competent and trained staff, professionals, attorneys and consultants in jurisdictions in which it does business; however, there is no certainty that both it and its contractors will continuously be compliant with all applicable laws and regulations. The failure to comply with all applicable norms could lead to financial restatements, fines, penalties and other material negative impacts on the Company.

Competitive Conditions

The Company will actively compete for resource acquisitions, exploration leases, licenses, concessions, and skilled industry personnel with a substantial number of other mining companies, many of which have significantly greater financial resources than the Company. The Company's competitors will include major integrated mining companies and numerous other independent mining companies and individual producers and operators, some of which may have greater liquidity, greater access to credit and other financial resources, newer or more efficient equipment, lower cost structures, more effective risk management policies and procedures and/or greater ability than the Company to withstand losses. The Company's competitors may be able to respond more quickly to new laws or regulations or emerging technologies or devote greater resources to the expansion of their operations than the Company can. In addition, current and potential competitors may make strategic acquisitions or establish cooperative relationships among themselves or with third parties. Competition could adversely affect the Company's ability to acquire suitable new properties in the future. Competition could also affect the Company's ability to raise financing to fund the exploration and development of its properties or to hire qualified personnel. The Company may not be able to compete successfully against current and future competitors, and any failure to do so could have a material adverse effect on the Company's business, financial condition or results of operations.

Political Regulatory Risks

Any changes in government policy may result in changes to laws affecting ownership of assets, exploration policies, monetary policies, taxation, rates of exchange, environmental regulations, labour relations and return of capital. This may affect both the Company's ability to undertake exploration and development activities in respect of present and future properties in the manner currently contemplated, as well as its ability to continue to explore, develop and operate those properties in which it has an interest or in respect of which it has obtained exploration and development rights to date. The possibility that future governments may adopt substantially different policies, which might extend to expropriation of assets, cannot be ruled out.

Acquisitions and Joint Ventures

The Company will evaluate from time to time opportunities to acquire or enter into joint ventures in respect of mining assets and businesses. These acquisitions and joint ventures may be significant in size, may involve granting rights to third parties, may change the scale of the Company's business and may expose it to new geographic, political, operating, financial and geological risks. The Company's success in its acquisition and joint venture activities will depend on its ability to successfully negotiate arrangements, identify suitable acquisition and joint venture candidates and partners, acquire or enter into a joint venture with them on acceptable terms and integrate their operations successfully with those of the Company.

Any acquisitions or joint ventures would be accompanied by risks, such as the difficulty of assimilating the operations and personnel of any acquired companies; the potential disruption of the Company's ongoing business; the inability of management to maximize the financial and strategic position of the Company through the successful incorporation of acquired assets and businesses or joint ventures; additional expenses associated with amortization of acquired intangible assets; the maintenance of uniform standards, controls, procedures and policies; the impairment of relationships with employees, customers and contractors as a result of any integration of new management personnel; dilution of the Company's present shareholders or of its interests in its subsidiaries or assets as a result of the issuance of shares to pay for acquisitions or the decision to grant earning or other interests to a joint venture partner; and the potential unknown liabilities associated with acquired assets and businesses. There can be no assurance that the Company would be successful in overcoming these risks or any other problems encountered in connection with such acquisitions or joint ventures. There may be no right for shareholders to evaluate the merits or risks of any future acquisition or joint venture undertaken except as required by applicable laws and regulations.

Infrastructure

Exploration, development and processing activities depend on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important elements of infrastructure, which affect access, capital and operating costs. The lack of availability on acceptable terms or the delay in the availability of any one or more of these items could prevent or delay the exploration or development of the Company's mineral properties. If adequate infrastructure is not available in a timely manner, there can be no assurance that the exploration or development of the Company's mineral properties will be commenced or completed on a timely basis, if at all. Furthermore, unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of necessary infrastructure could adversely affect our operations. Failure to adequately meet these infrastructure requirements or changes in the cost of such requirements could affect the Company's ability to carry out exploration and future development operations and could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Fluctuations in Foreign Currency Exchange Rates

The Company reports its financial results and maintains its accounts in Canadian dollars. The Company's operations in the United States make it subject to foreign currency fluctuations and such fluctuations may materially affect the Company's financial position and results. The Company has not hedged its exposure to currency fluctuations.

Claims and Legal Proceedings

The Company and/or its directors and officers may be subject to a variety of civil or other legal proceedings, with or without merit. From time to time in the ordinary course of its business, the Company may become involved in various legal proceedings, including commercial, employment and other litigation and claims, as well as governmental and other regulatory investigations and proceedings. Such matters can be time-consuming, divert management's attention and resources and cause the Company to incur significant expenses. Furthermore, because litigation is inherently unpredictable, the results of any such actions may have a material adverse effect on the Company's business, operating results or financial condition.

Going Concern Risk

The Financial Statements have been prepared on a going concern basis under which an entity is considered to be able to realize its assets and satisfy its liabilities in the ordinary course of business. The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures and meet its liabilities for the ensuing year involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. The Company's future operations are dependent upon the identification and successful completion of equity or debt financings and the achievement of profitable operations at an indeterminate time in the future. There can be no assurances that the Company will be successful in completing equity or debt financings or in achieving profitability.

Information Systems and Cyber Security

The Company's operations depend on information technology ("IT") systems. These IT systems could be subject to network disruptions caused by a variety of sources, including computer viruses, security breaches and cyber-attacks, as well as disruptions resulting from incidents such as cable cuts, damage to physical plants, natural disasters, terrorism, fire, power loss, vandalism and theft. The Company's operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems and software, as well as pre-emptive expenses to mitigate the risks of failures. Any of these and other events could result in IT system failures, delays and/or increase in capital expenses. The failure of IT systems or a component of information systems could, depending on the nature of any such failure, adversely impact the Company's reputation and results of operations.

Although to date the Company has not experienced any material losses relating to cyber-attacks or other information security breaches, there can be no assurance that the Company will not incur such losses in the future. The Company's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access remain a priority. As cyber threats continue to evolve, the Company may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This MD&A includes "forward-looking statements" and "forward-looking information" within the meaning of Canadian securities legislation. All statements included in this MD&A, other than statements of historical fact, are forward-looking statements. When used in this MD&A, words such as "may", "would", "could", "will", "intend", "expect", "believe", "plan", "anticipate", "estimate", "scheduled", "forecast", "predict", "foresee" and other similar terminology, or sentences/statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved are intended to identify forward-looking statements, which, by their very nature, are not guarantees of the Company's future operational or financial performance.

These statements reflect the Company's current expectations regarding future events, performance and results, and is accurate only at the time of this MD&A and may be superseded by more current information. Forward-looking statements also involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Company or its mineral projects to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements or information.

In making such statements, the Company has made assumptions regarding, among other things: general business and economic conditions; the availability of additional, the supply and demand for, inventories of, and the level and volatility of the prices of metals; the timing and receipt of governmental permits and approvals; changes in regulations; political factors; the accuracy of the Company's interpretation of the geology of the Company's properties and prospective properties; the availability of equipment, skilled labour and services needed for the exploration of mineral properties; and currency fluctuations.

Although the forward-looking statements or information contained in this MD&A are based upon what management of the Company believes are reasonable assumptions, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. They should not be read as guarantees of future performance or results. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to: the factors discussed under "Risks and Uncertainties"; unanticipated changes in general business and economic conditions or conditions in the financial markets; fluctuations in the price of metals; stock market volatility; the availability of exploration capital and financing generally; changes in national and local government legislation; changes to taxation; changes in interest or currency exchange rates; loss of key personnel; inaccurate geological assumptions; competition; unavailability of materials and equipment; government action or delays in the receipt of permits or government approvals; and unanticipated events related to health, safety and environmental matters, including the impact of epidemics.

Forward-looking information is designed to help readers understand management's current views of the Company's near and longer-term prospects, and it may not be appropriate for other purposes. The Company will not update any forward-looking statements or forward-looking information unless required to by applicable securities laws.

Additional disclosures pertaining to the Company's technical report, management information circulars, material change reports, press releases and other information are available on the SEDAR website at www.sedar.com.