



MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE SIX MONTHS ENDED JANUARY 31, 2022
(Expressed in Canadian Dollars)

Table of Contents

DATE	3
FORWARD-LOOKING INFORMATION	3
COMPANY OVERVIEW	4
COVID-19	4
DESCRIPTION OF BUSINESS	4
RESULTS OF OPERATIONS	8
SUMMARY OF QUARTERLY INFORMATION	9
SELECTED FINANCIAL INFORMATION	10
LIQUIDITY AND CAPITAL RESOURCES	10
OUTSTANDING SHARE DATA	11
RELATED PARTY TRANSACTIONS	12
OFF-BALANCE SHEET ARRANGEMENTS	14
CRITICAL ACCOUNTING ESTIMATES.....	14
NEW ACCOUNTING PRONOUNCEMENTS	14
FINANCIAL INSTRUMENTS	14
OTHER MD&A REQUIREMENTS	14

Tactical Resources Corp.
Management's Discussion and Analysis
For the six months ended January 31, 2022

DATE

The following Management's Discussion and Analysis ("MD&A") of Tactical Resources Corp.'s ("Tactical" or the "Company") financial position and results of operations for the six months ended January 31, 2022 is prepared as at March 24, 2022. This MD&A should be read in conjunction with the Company's unaudited condensed interim financial statements for the six months ended January 31, 2022 and the supporting notes. The unaudited condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All dollar figures included therein and in the following MD&A are quoted in Canadian dollars.

FORWARD-LOOKING INFORMATION

This MD&A contains forward-looking statements based on assumptions and judgments of management regarding events or results that may prove to be inaccurate as a result of exploration or other risk factors beyond its control. Actual results may differ materially from the expected results.

Except for statements of historical fact, this MD&A contains certain "forward-looking information" within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. In particular, forward-looking information in this MD&A includes, but is not limited to, the discovery of new mineral resources, mineral resource estimates, the merits of the Company's mineral properties, future studies, and the Company's plans and exploration programs for its mineral properties, including the timing of such plans and programs. Such forward looking statements are subject to certain risks, uncertainties and assumptions of management, which are noted in the paragraph below. Although we believe that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. We cannot guarantee future results, performance or achievements. Consequently, there is no representation that the actual results achieved will be the same, in whole or in part, as those set out in the forward-looking information.

Forward-looking information is based on the opinions and estimates of management at the date the statements are made, which are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking information. Some of the risks, assumptions and other factors that could cause results to differ materially from those expressed in the forward-looking statements include, but are not limited to: general economic conditions in Canada, the United States and globally; industry conditions, including fluctuations in commodity prices; governmental regulation of the mining industry, including environmental regulation; the Company's limited operating history; the Company's negative operating cash flow and dependence on third party financing; the uncertainty of additional funding for the Company; there being no known mineral reserves or mineral resources with respect to the SAM Property, the Lac Ducharme Project or the Sierra Blanca Quarry Project, and certain exploration risks; the Company does not own an interest in the SAM Property or the Lac Ducharme Project at this time and may be unable to exercise its option to acquire an interest in the SAM Property or the Lac Ducharme Project; the Company may fail to obtain all necessary licenses and permits required to carry out its activities; and risks related to the business, operations, and financial condition of the Company arising from COVID-19; unanticipated operating events; stock market volatility, volatility in its share price and lack of a liquid market for its common shares; changes in tax laws and incentive programs relating to the mining industry; and the other factors described herein under "Risks and Uncertainties". Readers are cautioned that this list of risk factors should not be construed as exhaustive.

The forward-looking information contained in this MD&A is expressly qualified by this cautionary statement. We undertake no duty to update any of the forward-looking information to conform such information to actual results or to changes in our expectations except as otherwise required by applicable securities legislation. Readers are cautioned not to place undue reliance on forward-looking information.

COMPANY OVERVIEW

Tactical was incorporated under the Business Corporations Act of British Columbia on June 25, 2018. The principal business of the Company is exploration and development of Rare Earth Elements ("REE"). The Company is also actively involved in the development of innovative metallurgical processing techniques to further unlock REE project development.

The Company's head office, principal address, registered address and records office is Suite 2200 – 885 West Georgia Street, Vancouver, BC V6C 3E8.

On March 14, 2022 (the "Listing Date"), the Company listed on the Canadian Securities Exchange (the "CSE") under the symbol "RARE".

COVID-19

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, economies, and financial markets globally, potentially leading to an economic downturn.

The Company could be adversely impacted by the effects of the coronavirus. The extent to which the coronavirus impacts the Company, including its operations and the market for its securities, will depend on future developments, which are highly uncertain and cannot be predicted at this time, and include the duration, severity and scope of the outbreak and the actions taken to contain or treat the coronavirus outbreak. The continued spread of the coronavirus globally could materially and adversely impact the Company's operations including, workforce productivity, increased insurance premiums, limitations on travel, the availability of industry experts and personnel, and restrictions to its drill programs, exploration and other metallurgical testing. To date, the Company has not had any adverse effects from the coronavirus.

DESCRIPTION OF BUSINESS

SAM Property

On August 26, 2020, the Company entered into a property option agreement (the "Taiga Agreement") with Taiga Gold Corp. (CSE:TGC) ("Taiga"). Taiga holds a 100% interest in a series of mineral claims located in the Amisk Lake region of the Province of Saskatchewan (the "SAM Property"). Pursuant to the Taiga Agreement, the Company has an option to earn a 60% interest in the SAM Property (the "SAM Option"), subject to a 2% net smelter returns royalty ("NSR"). The Company has the right, at any time prior to commencing commercial production from the Property, to reduce the NSR from 2% to 1% in consideration for a one-time payment to Taiga of \$1,000,000.

In order to exercise the SAM Option, the Company is required to list its shares on any Canadian stock exchange (the "Going Public Transaction"), make cash and share payment to Taiga, and incur property expenditures as follows:

- Cash payment of \$10,000 (paid) upon entering a letter of intent with Taiga;
- Cash payment of \$20,000 (paid) upon the execution of the Taiga Agreement;
- Cash payment of \$20,000 (paid), and the issuance of 150,000 common shares of the Company (issued with a fair value of \$30,000) upon completing the Going Public Transaction, or on December 24, 2020, whichever is earlier;
- Cash payment of \$20,000 (paid), and the issuance of 50,000 common shares of the Company (issued with a fair value of \$44,500) and incurring \$100,000 in expenditures on the SAM Property (incurred) on or before September 30, 2021;
- Issuance of 200,000 shares of the Company by the earlier of first anniversary of the Going Public Transaction

Tactical Resources Corp.
Management's Discussion and Analysis
For the six months ended January 31, 2022

- or March 31, 2022;
- Cash payment of \$60,000, issuance of an additional 200,000 common shares of the Company and incurring a further \$600,000 in expenditures on the SAM Property by the earlier of the eighteen-month anniversary of the Going Public Transaction or September 30, 2022;
- Cash payment of \$100,000, issuance of an additional 200,000 common shares of the Company and incurring a further \$800,000 in expenditures on the SAM Property by the earlier of the thirty-month anniversary of the Going Public Transaction or September 30, 2023;
- Cash payment of \$270,000 or issuing the equivalent value in shares at the election of Taiga, issuance of an additional 200,000 common shares of the Company and incurring a further \$1,000,000 in expenditures on the SAM Property by the earlier of the forty-two-month anniversary of the Going Public Transaction or September 30, 2024; and
- Incurring a further \$1,500,000 in expenditures on the SAM Property by the earlier of the fifty-four-month anniversary of the Going Public Transaction or September 30, 2025.

The SAM Property is located in the Northern Mining District of east-central Saskatchewan, 15 km west of Flin Flon, Manitoba. The SAM dispositions consist of seven MARS claims covering a total area of 1,004.5 hectares.

Mineralization on the SAM Property includes both gold and base metal occurrences. There are seven mineral occurrences on the SAM Property documented in the Saskatchewan Mineral Deposit Index (SMDI). Mineralization at the SAM Cu-Zn Zone (SMDI 0311, 1870) is defined as Konuto Lake type and occurs as local disseminations and stringers of pyrite-pyrrhotite, and chalcopyrite over a defined strike length of 200 meters, a width of up to 50 meters, and has been traced to a depth of 200 meters.

Gold mineralization at the Wolverine North and West (SMDI 2226) and Golden Bear Shear Zone (SMDI 2558) is associated with quartz-ankerite veins in strongly sheared metasediments and volcanics. The veins typically carry sulphides (pyrite, pyrrhotite, chalcopyrite) as well as tourmaline, epidote and chlorite.

There is potential for two different deposit types at the SAM property: structurally-controlled mesothermal lode gold and volcanogenic massive sulphide (VMS) base metal.

A first phase of work to define drill targets has been recommended that will include geochemical surveys, mapping and prospecting and non mechanized trenching. The cost for this work is estimated to be \$100,000.

In executing the Taiga Agreement, the Company issued 200,000 common shares with a fair value of \$3,400 for finders' fees.

Lac Ducharme Project

On March 1, 2021 (the "Effective Date"), the Company entered into a property option agreement (the "DIG Agreement") with Doctors Investment Group Ltd. ("DIG") which 100% owned the Lac Ducharme Project (the "Lac Ducharme Project"). Pursuant to the DIG Agreement, the Company has an option to earn 100% interest in the Lac Ducharme Project (the "LDP Option"), subject to a 3% NSR. The Lac Ducharme Project is located in Quebec, Canada.

In order to exercise the LDP Option, the Company is required to make cash and share payments to DIG, and incur property expenditures as follows:

- On or before the date that is seven days after the Effective Date:
 - Make cash payment of \$30,000 (paid); and
 - Issue 60,000 shares of the Company (issued with a fair value of \$12,000).
- On or before the date that is fourteen months after the Effective Date:
 - Make cash payment of \$30,000;

Tactical Resources Corp.
Management's Discussion and Analysis
For the six months ended January 31, 2022

- Issue 100,000 shares of the Company; and
 - Incur \$250,000 of expenditures on the Lac Ducharme Project.
- On or before the date that is twenty-eight months after the Effective Date:
 - Issue 350,000 shares of the Company; and
 - Incur \$500,000 of expenditures on the Lac Ducharme Project.

At any time during the term of the DIG Agreement, the Company shall have the right to accelerate the cash payments, share issuances or expenditures.

The Company shall have the right to purchase one-third of the NSR from DIG at any time after the LDP Option has been exercised for a one-time consideration of \$1,000,000.

In executing the DIG Agreement, the Company issued 10,000 common shares with a fair value of \$2,000 for finders' fees.

Sierra Blanca Quarry Project

On July 14, 2021, the Company entered into an assignment and assumption agreement (the "Assignment Agreement") with Peak 6891 LLC ("Peak"). Peak is party to an agreement dated June 1, 2021 with Sierra Blanca Quarry, LLC ("SBQ LLC"), Dennis Walker and Becky Dean Walker (the "Offtake Agreement"), pursuant to which Peak was granted to the rights to acquire certain crushed ore and tailings materials extracted from the Sierra Blanca Quarry, located in Hudspeth County in the State of Texas. Pursuant to the Assignment Agreement, on August 11, 2021, (the "Closing Date"), Peak assigned all of its rights and obligations under the Offtake Agreement to the Company.

In consideration for the Assignment Agreement, on the Closing Date, the Company issued 1,000,000 common shares ("Consideration Shares") (issued with a fair value of \$200,000).

As further consideration for the Assignment Agreement, following the Closing Date, Peak became entitled to receive the following additional payments which will be satisfied through the issuance of common shares of the Company (collectively, the "Milestone Shares"):

- a) \$250,000 upon receipt by the Company or any affiliate of a building permit and completion of construction bid set, including applicable specifications for construction, execution, operation and commercial production, for a facility (a "Processing Facility") to process material acquired by the Company pursuant to the Offtake Agreement, or any successor agreement;
- b) \$156,250 for each US\$2,000,000 of government grants received by the Company or any affiliate, in connection with the development and operation of the Processing Facility, to a maximum of \$1,171,875 provided that the final payment will be reduced in the event the maximum threshold has been reached;
- c) \$50,000 for each US\$2,000,000 of government loan guarantees received by the Company or any affiliate, in connection with the development and operation of the Processing Facility, to a maximum of \$625,000, provided that the final payment will be reduced in the event the maximum threshold has been reached;
- d) \$500,000 upon the Company or any affiliate reaching a decision to commence commercial production of HREE oxides or other refined metals at the Processing Facility; and
- e) \$250,000 upon the Company or any affiliate entering into a binding agreement to acquire commercial offtake material produced by the Processing Facility.

On July 14, 2021, in connection with the Assignment Agreement, the Company entered into an agreement ("Finders' Fee Agreement") with Oasis SB Inc. ("Oasis" or the "Finder"). Oasis introduced the transaction contemplated by the Assignment Agreement and assisted the Company in facilitating the transaction. In consideration of the Finders'

Tactical Resources Corp.
Management's Discussion and Analysis
For the six months ended January 31, 2022

services, the Company has agreed to pay the Finder a fee (the "Finders' Fee") consisting of 50,000 common shares of the Company ("Oasis Finders' Shares"). The Oasis Finders' Shares were issued during the six months ended January 31, 2022, which have been capitalized to exploration and evaluation assets.

The Consideration Shares issued are subject to an escrow arrangement such that (a) 200,000 of the Consideration Shares shall be subject to restrictions on resale until the date which is twelve (12) months from the Closing Date; (b) a further 200,000 of the Consideration Shares shall be subject to restrictions on resale until the date which is fifteen (15) months from the Closing Date; (c) a further 200,000 of the Consideration Shares shall be subject to restrictions on resale until the date which is eighteen (18) months from the Closing Date; (d) a further 200,000 of the Consideration Shares shall be subject to restrictions on resale until the date which is twenty-one (21) months from the Closing Date; and (e) a further 200,000 of the Consideration Shares shall be subject to restrictions on resale until the date which is twenty-four (24) months from the Closing Date.

The 50,000 common shares issued as a Finder's Fee in connection with the Assignment Agreement are subject to an escrow arrangement such that all 50,000 Common Shares shall be subject to restrictions on resale until the date that is six (6) months from the date that the Company's common shares become listed on a Canadian stock exchange.

During the year ended July 31, 2021, the Company incurred \$27,781 in property investigation costs related to expenses incurred prior to the Assignment Agreement.

On July 30, 2021, the Company and SBQ LLC agreed to terminate the Offtake Agreement and entered into a purchase and sale agreement ("SBQ Agreement") to replace the Offtake Agreement. SBQ LLC owns and operates a surface metal mine that specializes in rhyolite, granite and other similar igneous rock, that is located in Sierra Blanca, Texas (the "Mine").

SBQ LLC generates waste that contain Rare Earth Elements and has a stockpile located on the Surface Area that contains a minimum of 4 million tons of tailings (the "Tailings"). SBQ LLC has agreed to sell to the Company, the Tailings, in amounts selected by SBQ LLC, in its sole discretion, all on and subject to the terms and conditions of the SBQ Agreement.

Delivery Schedule

- (i) A maximum of 45 days after commercial production decision and before November 30 of each calendar year, SBQ LLC shall advise the Company of the amount of Tailings that shall be available for purchase. The Company also has the option to purchase additional Tailings mined from the premises as and when the same become available on the same terms and conditions as set forth in the SBQ Agreement.
- (ii) A maximum of 15 days after the date set forth in Delivery Schedule (i) above, the Company shall advise SBQ LLC of the amount of Tailings the Company shall purchase for the remainder of the calendar year, or the upcoming calendar year, subject to the following maximum amounts:
 - 600,000 tons in Calendar Year 2021,
 - 1,300,000 tons in Calendar Year 2022,
 - 1,300,000 tons in Calendar Year 2023, and
 - 1,300,000 tons in Calendar Year 2024.

As of the date of this MD&A, the Company did not purchase any tailings in Calendar Year 2021 and Calendar Year 2022.

RESULTS OF OPERATIONS

Three months ended January 31, 2022

The Company is in the exploration stage and has no revenue from operations. During the three months ended January 31, 2022, the Company recorded a net loss of \$533,624 compared to \$20,214 for the three months ended January 31, 2021. The increase in net loss was a result of the Company's activities on the SAM Property, Lac Ducharme Project and Sierra Blanca Quarry Project, financing activity and increased business activity.

During the three months ended January 31, 2022, the Company incurred the following expenditures:

- Consulting fees of \$196,975 (January 31, 2021 - \$nil), including payments to the following:
 - Ranjeet Sundher (related party) for CEO services of \$30,000 (January 31, 2021 - \$nil);
 - Jeet Basi (related party) for engineering services of \$30,000 (January 31, 2021 - \$nil);
 - Geomax Consulting for project due diligence assistance of \$30,000 (January 31, 2021 - \$nil);
 - F2 California, LLC for capital markets, corporate finance and advisory advice of \$22,974 (January 31, 2021 - \$nil).
- General and administrative of \$69,501 (January 31, 2021 - \$4,495), which included the following:
 - Promotional activities of \$11,099 (October 31, 2020 - \$nil);
 - Office expenses of \$43,860 (January 31, 2021 - \$3,000).
- Investor relations of \$116,827 (January 31, 2021 - \$nil), including payments to the following:
 - Promethean Marketing Inc. for creative development for a marketing campaign of \$63,637 (January 31, 2021 - \$nil);
 - Empire Communications Group for investor relation services of \$22,500 (January 31, 2021 - \$nil);
 - Fortuna Investments Corp. for investor relation services of \$8,191 (January 31, 2021 - \$nil).
- Listing and filing fees of \$4,586 (January 31, 2021 - \$nil);
- Professional fees of \$126,695 (January 31, 2021 - \$15,719), including payments to the following; and
 - Quantum Advisory Partners LLP (related party) for CFO and accounting services of \$35,100 (January 31, 2021 - \$nil);
 - Cassels Brock & Blackwell LLP for legal fees of \$47,438 (January 31, 2021 - \$7,218);
 - Manning Elliott LLP for audit and tax services of \$9,250 (January 31, 2021 - \$8,500);
 - Scott McLeod Law Corp. for legal fees of \$32,956 (January 31, 2021 - \$nil).
- Travel of \$17,207 (January 31, 2021 - \$nil).

Six months ended January 31, 2022

The Company is in the exploration stage and has no revenue from operations. During the six months ended January 31, 2022, the Company recorded a net loss of \$1,190,998 compared to \$31,089 for the six months ended January 31, 2021. The increase in net loss was a result of the Company's activities on the SAM Property, Lac Ducharme Project and Sierra Blanca Quarry Project, financing activity and increased business activity.

During the six months ended January 31, 2022, the Company incurred the following expenditures:

- Consulting fees of \$400,806 (January 31, 2021 - \$nil), including payments to the following:
 - Ranjeet Sundher (related party) for CEO services of \$60,000 (January 31, 2021 - \$nil);
 - Jeet Basi (related party) for engineering services of \$56,400 (January 31, 2021 - \$nil);
 - Geomax Consulting for project due diligence assistance of \$60,502 (January 31, 2021 - \$nil);
 - Backcountry Capital Corp. for corporate development services of \$36,000 (January 31, 2021 - \$nil);
 - F2 California, LLC for capital markets, corporate finance and advisory advice of \$30,403 (January 31, 2021 - \$nil);
 - Pine Tree Partners Inc. for consulting services of \$30,000 (January 31, 2021 - \$nil);

Tactical Resources Corp.
Management's Discussion and Analysis
For the six months ended January 31, 2022

- 1143373 BC Ltd. for consulting services of \$30,000 (January 31, 2021 - \$nil).
- General and administrative of \$143,364 (January 31, 2021 - \$5,806), which included the following:
 - Promotional activities of \$26,803 (January 31, 2021 - \$1,472);
 - Office expenses of \$93,183 (January 31, 2021 - \$4,258).
- Investor relations of \$346,161 (January 31, 2021 - \$nil), including payments to the following:
 - CDMG Inc. for assistance with designing investor relations campaign of \$152,393 (January 31, 2021 - \$nil);
 - Promethean Marketing Inc. for creative development for a marketing campaign of \$63,637 (January 31, 2021 - \$nil);
 - Empire Communications Group for investor relation services of \$45,000 (January 31, 2021 - \$nil);
 - PRmediaNow for public relations and media outreach services of \$24,000 (January 31, 2021 - \$nil);
 - Danayi Capital Corp. for digital consulting and online advertising of \$23,000 (January 31, 2021 - \$nil).
- Listing and filing fees of \$34,753 (January 31, 2021 - \$nil);
- Professional fees of \$233,562 (January 31, 2021 - \$23,283), including payments to the following; and
 - Quantum Advisory Partners LLP (related party) for CFO and accounting services of \$61,620 (January 31, 2021 - \$nil);
 - Cassels Brock & Blackwell LLP for legal fees of \$79,116 (January 31, 2021 - \$14,283);
 - Manning Elliott LLP for audit and tax services of \$23,500 (January 31, 2021 - \$11,000);
 - Scott McLeod Law Corp. for legal fees of \$53,044 (January 31, 2021 - \$nil).
- Travel of \$23,445 (January 31, 2021 - \$nil).

SUMMARY OF QUARTERLY INFORMATION

The quarterly results for the last eight quarters are summarized below:

	Three months ended			
	January 31, 2022	October 31, 2021	July 31, 2021	April 30, 2021
	\$	\$	\$	\$
Net revenue	Nil	Nil	Nil	Nil
Net loss	(533,624)	(657,374)	(759,367)	(160,866)
Basic and diluted loss per share	(0.01)	(0.05)	(0.06)	(0.01)

	Three months ended			
	January 31, 2021	October 31, 2020	July 31, 2020	April 30, 2020
	\$	\$	\$	\$
Net revenue	Nil	Nil	Nil	Nil
Net loss	(20,214)	(10,875)	(7,289)	(18)
Basic and diluted loss per share	(0.00)	(0.00)	(7,288.61)	(18.00)

None of the variations in net loss reported in the previous periods were unusual or indicative of any trend with respect to the future when the Company expects to have more involvement in revenue-generating operations. Fluctuations reported were the result of the level of activity of the Company in each given reporting period.

Tactical Resources Corp.
Management's Discussion and Analysis
For the six months ended January 31, 2022

SELECTED FINANCIAL INFORMATION

	For the six months ended		
	January 31, 2022	January 31, 2021	January 31, 2020
	\$	\$	\$
Finance income	-	-	-
Operating expenses	1,190,998	31,089	36
Net loss	(1,190,998)	(31,089)	(36)
Basic and diluted loss per share	(0.06)	(0.00)	(36.00)

<i>As at:</i>	January 31, 2022	July 31, 2021	July 31, 2020
	\$	\$	\$
Total assets	3,919,679	4,960,830	16,607
Long-term financial liabilities	Nil	Nil	Nil
Cash dividend per share	Nil	Nil	Nil

The fluctuation in operating costs and corporate costs is attributable to variations in various expense items, such as consulting fees, investor relations, professional fees, property investigation costs and general and administrative expenses, which occur due to the administrative and fund-raising activities occurring during a particular period and to the availability of funds in those periods to pay for those activities. There is no seasonality to these variations, nor are they indicative of any trend. As the Company became more active and undertook fund-raising activities during the year ended July 31, 2021 and subsequently continued exploration activities into the July 31, 2022 fiscal year, the related expenditures and total assets increased compared to prior periods.

LIQUIDITY AND CAPITAL RESOURCES

The Company's activities have been funded through equity financings and the Company expects it will continue to be able to utilize this source of financing until it develops cash flow from future operations.

The Company has no revenue-producing operations. As at January 31, 2022, the Company had accumulated losses of \$2,161,827. As at January 31, 2022, the Company had a working capital of \$3,017,037 (July 31, 2021 - \$4,445,633), including cash of \$2,511,494 (July 31, 2021 - \$4,617,481). Except for property expenditures on the SAM Project, the Lac Ducharme Project and the Sierra Blanca Quarry Project, the Company does not have any commitments for capital expenditures.

The Company received aggregate net proceeds of \$5,277,795 from the Offering after deducting \$435,205 in broker fees, advisory fees, corporate finance fees and certain expenses of the Agent in relation to the Offering. The principal purposes for the proceeds of the issuance of 5,713,000 Common Shares and 2,856,500 Warrants on the conversion of 5,713,000 Special Warrants is to continue to advance the exploration and development of the SAM Property and the Lac Ducharme Property. Additionally, the Company intends to conduct a sampling and assaying program of the existing tailings at the Sierra Blanca Quarry. To date, the funds raised from the Offering have been used for general and administrative expenses and to complete work programs on the SAM Property and the Lac Ducharme Property.

The Company's business objectives using the available funds are to (i) complete the Listing of the Common Shares on the Exchange; (ii) continue to advance the exploration and development of the SAM Property and the Lac Ducharme Property as described in the SAM Property Technical Report and Lac Ducharme Property Technical Report, respectively; (iii) make the required payments, share issuances and incur the required exploration costs in order to acquire the 60% interest in the SAM Property pursuant to the SAM Property Option Agreement and the Lac

Tactical Resources Corp.
Management's Discussion and Analysis
For the six months ended January 31, 2022

Ducharme Property pursuant to the Lac Ducharme Property Option Agreement; and (iv) evaluate the existing tailings at the Sierra Blanca Quarry.

The Company is dependent on external financing, including equity issuances and debt financing, to fund its activities. Management will determine whether to accept any offer for financing, weighing such factors as the financing terms, the results of exploration, share price at the time and current market conditions, among others. Circumstances that could impair the Company's ability to raise additional funds include general economic conditions, and the other factors set forth below under "Risk Factors".

On an ongoing basis, management evaluates and adjusts its planned level of activities, including planned, exploration and committed administrative costs, to maintain adequate levels of working capital.

There can be no assurances the Company will be successful in its endeavors. If such funds are not available or other sources of financing cannot be obtained then the Company will be forced to curtail its activities to a level for which funding is available or can be obtained.

OUTSTANDING SHARE DATA

At January 31, 2022, the Company had 21,170,500 common shares issued and outstanding (July 31, 2021 – 14,357,500) with a value of \$5,628,840 (July 31, 2021 - \$310,490).

Escrow shares

The following table sets out the securities of the Company upon listing that will be subject to escrow or a contractual restriction on transfer:

Designation of Class	Number of Securities Held in Escrow or that are Subject to a Contractual Restriction on Transfer
Common Shares ⁽¹⁾	1,460,000
Warrants ⁽²⁾	23,585,320
Options	nil

Notes:

- (1) Based on 21,170,500 common shares outstanding.
(2) Based on 26,441,820 warrants, 327,315 agent's options and 13,470 advisory warrants outstanding.

Securities held by principals, being 410,000 common shares and 405 warrants, of the Company are subject to a 36-month escrow agreement with Odyssey Trust Company. The escrow agreement provide that the escrowed securities will be released from escrow in equal blocks of 15% at six-month intervals over the 36 months following the listing of the Company, with 10% being released on the date of listing.

The Company's \$0.10 warrants that were granted as part of the Company's \$0.02 unit financing on August 3, 2020, and any common shares issued on their exercise, are subject to an escrow arrangement for a period of four-months from the date of listing, with 20% of the securities released from escrow on listing and an additional 20% every month thereafter.

The Company's \$0.25 warrants issued on April 16, 2021 are subject to an escrow arrangement for a period of twelve months from the date of listing, during which time the \$0.25 warrants, and any common shares issued upon the exercise of the \$0.25 warrants, may not be traded, transferred, assigned or otherwise encumbered without the prior consent of the Exchange.

Tactical Resources Corp.
Management's Discussion and Analysis
For the six months ended January 31, 2022

The Consideration Shares issued pursuant to the Assignment Agreement between the Company and Peak dated July 14, 2021 are subject to an escrow arrangement such that (a) 200,000 of the Consideration Shares shall be subject to restrictions on resale until the date which is twelve (12) months from the August 11, 2021 (the "Closing Date"); (b) a further 200,000 of the Consideration Shares shall be subject to restrictions on resale until the date which is fifteen (15) months from the Closing Date; (c) a further 200,000 of the Consideration Shares shall be subject to restrictions on resale until the date which is eighteen (18) months from the Closing Date; (d) a further 200,000 of the Consideration Shares shall be subject to restrictions on resale until the date which is twenty-one (21) months from the Closing Date; and (e) a further 200,000 of the Consideration Shares shall be subject to restrictions on resale until the date which is twenty-four (24) months from the Closing Date.

The 50,000 common shares issued as a finder's fee in connection with the Assignment Agreement on July 14, 2021 are subject to an escrow arrangement such that all 50,000 Common Shares shall be subject to restrictions on resale until the date that is six (6) months from the date that the Company's common shares become listed on a Canadian stock exchange.

During the six months ended January 31, 2022:

- On August 11, 2021, the Company issued the Consideration Shares and Finders' Shares with a fair value of \$200,000 and \$10,000, respectively, pursuant to the Assignment Agreement and Finders' Fee Agreement.
- On September 14, 2021, the Company issued 5,713,000 common shares and 2,856,500 warrants upon exercise of the special warrants which were issued on May 13, 2021.
- On September 30, 2021, the Company issued 50,000 common shares with a fair value of \$44,500 pursuant to the Taiga Agreement.
- On November 30, 2021, the Company cancelled 219,950 warrants of the 9,991,970 warrants issued on April 16, 2021 and refunded the proceeds of \$220 to the warrant holders; these warrants were issued to related parties. In addition, the Company revised the exercise price of the remaining warrants (9,772,020 warrants) from \$0.20 to \$0.25 and revised the expiry date to October 27, 2022.

Subsequent to January 31, 2022:

- On March 15, 2022, the Company granted a total of 1,900,000 incentive stock options to certain officers, directors and consultants of the Company in accordance with the Plan. The options vest immediately and are exercisable at a price of \$1.04 for a period of twenty-four months.

As of the date of this MD&A, the Company had:

- 21,170,500 common shares issued and outstanding;
- 26,428,520 warrants with an exercise price ranging from \$0.10 to \$0.25. Each full warrant is convertible into one common share; in total the outstanding warrants, if all were converted, would result in 26,428,520 common shares of the Company being issued; and
- 1,900,000 stock options with an exercise price of \$1.04.

RELATED PARTY TRANSACTIONS

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

Tactical Resources Corp.
Management's Discussion and Analysis
For the six months ended January 31, 2022

The Company's related parties as defined by IAS 24, Related Party Disclosures, include the following directors, executive officers, key management personnel, and enterprises which are controlled by these individuals:

Related Party	Relationship
Ranjeet Sundher	CEO and Director
Alnesh Mohan	CFO
Matt Chatterton	Director
Jeet Basi	Director
Abhishek Tamot	Director
1323552 BC Ltd.	A company in which the CEO is a principal
Quantum Advisory Partners LLP	A partnership in which the CFO is a partner
SVK Metrix Inc.	A company in which a director is a principal
Pine Tree Partners Inc.	A company in which a director is a principal
Yana Popova	Former CFO and Director
1143373 BC Ltd.	A company in which the former CFO is a principal

The Company entered into the following transactions with related parties during the six months ended January 31, 2022:

	For the six months ended	
	January 31, 2022	January 31, 2021
	\$	\$
Ranjeet Sundher, CEO and Director		
Consulting fees ⁽¹⁾	60,000	-
	60,000	-
Alnesh Mohan, CFO		
Professional fees ⁽²⁾	61,620	-
	61,620	-
Abhishek Tamot, Director		
Consulting fees ⁽³⁾	30,000	-
	30,000	-
Jeet Basi, Director		
Consulting fees ⁽⁴⁾	56,400	
Exploration and evaluation assets ⁽⁴⁾	-	60,000
	56,400	60,000
Total	208,020	60,000

(1) \$10,000 paid to Ranjeet Sundher and \$50,000 paid to 1323552 BC Ltd.

(2) Paid to Quantum Advisory Partners LLP.

(3) Paid to Pine Tree Partners Inc.

(4) Paid to SVK Metrix Inc.

All related party transactions are carried out in the normal course of operation and are recorded at fair value.

The balances due to the Company's directors and officers included in accounts payable and accrued liabilities were \$33,650 as at January 31, 2022 (July 31, 2021 - \$69,115), including amounts owed to the following:

Tactical Resources Corp.
Management's Discussion and Analysis
For the six months ended January 31, 2022

- Jeet Basi: \$20,000
- Quantum Advisory Partners LLP: \$13,650

The amounts due to related parties are unsecured, non-interest bearing and payable on demand.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not utilize off-balance sheet arrangements.

CRITICAL ACCOUNTING ESTIMATES

These financial statements, including comparatives, have been prepared using accounting policies consistent with IFRS issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. In addition, these Financial Statements have been prepared using the accrual basis of accounting except for cash flow information. Refer to Note 2 of the audited financial statements for the year ended July 31, 2021 for details on critical accounting estimates and judgments.

NEW ACCOUNTING PRONOUNCEMENTS

There were no new or amended IFRS pronouncements effective August 1, 2021 that impacted the Company's condensed interim financial statements for the six months ended January 31, 2022.

FINANCIAL INSTRUMENTS

In the normal course of business, the Company is inherently exposed to certain financial risks, including market risk, credit risk and liquidity risk, through the use of financial instruments. The timeframe and manner in which the Company manages these risks varies based upon management's assessment of the risk and available alternatives for mitigating risk. The Company does not acquire or issue derivative financial instruments for trading or speculative purposes. All transactions undertaken are to support the Company's operations. These financial risks and the Company's exposure to these risks are provided in various tables in note 9 of our unaudited condensed interim financial statements for the six months ended January 31, 2022. For a discussion on the significant assumptions made in determining the fair value of financial instruments, refer also to note 2 of the financial statements for the year ended July 31, 2021.

OTHER MD&A REQUIREMENTS

Management's responsibility for financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Risks and uncertainties

- **General**
The Company's sole objective is to identify a satisfactory transaction for a future listing on a stock exchange. The closing of any proposed transaction is subject to a number of terms and conditions, including completion of due diligence procedures by parties to the transaction and receipt of all required regulatory

approvals, and there is no assurance that a transaction will be completed. If the Company does not complete a transaction within the time permitted by the Exchange, its common shares could be delisted.

- **Financing risks**

The Company does not have a source of income, has not commenced commercial operations, and has no significant assets other than cash. There can be no assurance that the Company will be able to raise additional funding in the future on terms acceptable to the Company.

- **Risk of global outbreaks and contagious diseases**

The risk of global outbreaks, including COVID-19, have the potential to significantly and adversely impact the Company's operations and business. On March 11, 2020, the World Health Organization recognized COVID-19 as a global pandemic. The Company is continuously evaluating the uncertainty and impact of the outbreak on the Company and its ability to operate due to employee absences, the length of travel and quarantine restrictions imposed by governments of affected countries, disruption in the Company's supply chains, information technology constraints, government interventions, market volatility, overall economic uncertainty and other factors currently unknown and not anticipated.

There can be no certainty that COVID-19, or other infectious illness, and the restrictive measures implemented to slow the spread of the virus will not materially impact the Company's operations or personnel in the coming weeks and months. 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, results of operations or ability to raise funds at this time.