FORM 5

QUARTERLY LISTING STATEMENT

Name of Listed Issuer: ***Cruz Cobalt Corp.*** (the "Issuer").

Trading Symbol: ***CRUZ***

This Quarterly Listing Statement must be posted on or before the day on which the Issuer's unaudited interim financial statements are to be filed under the *Securities* Act, or, if no interim statements are required to be filed for the quarter, within 60 days of the end of the Issuer's first, second and third fiscal quarters. This statement is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the Exchange Policies. If material information became known and was reported during the preceding quarter to which this statement relates, management is encouraged to also make reference in this statement to the material information, the news release date and the posting date on the Exchange website.

General Instructions

(a) Prepare this Quarterly Listing Statement using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.

(b) The term "Issuer" includes the Listed Issuer and any of its subsidiaries.

(c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

There are three schedules which must be attached to this report as follows:

SCHEDULE A: FINANCIAL STATEMENTS

Financial statements are required as follows:

For the first, second and third financial quarters interim financial statements prepared in accordance with the requirements under Ontario securities law must be attached.

If the Issuer is exempt from filing certain interim financial statements, give the date of the exempting order.

SCHEDULE B: SUPPLEMENTARY INFORMATION

The supplementary information set out below must be provided when not included in Schedule A.

1. Related party transactions

All related party transactions have been disclosed in the Issuer's financial statements and notes for the nine months ended April 30, 2020.

Provide disclosure of all transactions with a Related Person, including those previously disclosed on Form 10. Include in the disclosure the following information about the transactions with Related Persons:

(a) A description of the relationship between the transacting parties. Be as precise as possible in this description of the relationship. Terms such as affiliate, associate or related company without further clarifying details are not sufficient.
(b) A description of the transaction(s), including those for which no amount has been recorded.
(c) The recorded amount of the transactions classified by financial statement category.
(d) The amounts due to or from Related Persons and the terms and conditions relating thereto.
(e) Contractual obligations with Related Persons, separate from other contractual obligations.
(f) Contingencies involving Related Persons, separate from other contingencies.

2. Summary of securities issued and options granted during the period.

All securities issued and options granted have been disclosed in the Issuer's financial statements and notes for the nine months ended April 30, 2020.

Provide the following information for the period beginning on the date of the last Listing Statement (Form 2A):

(a) summary of securities issued during the period,

Date of Issue	Type of Security (common shares, convertible debentures, etc.)	Type of Issue (private placement, public offering, exercise of warrants, etc.)	Number	Price	Total Proceeds	Type of Consideration (cash, property, etc.)	Describe relationship of Person with Issuer (indicate if Related Person)	Commission Paid
N/A								

(b) summary of options granted during the period,

Date	Number	Name of Optionee if Related Person and relationship	Generic description of other Optionees	Exercise Price	Expiry Date	Market Price on date of Grant
N/A						

3. Summary of securities as at the end of the reporting period.

A summary of securities has been provided in the financial statements for the nine months ended April 30, 2020.

Provide the following information in tabular format as at the end of the reporting period:

(a) description of authorized share capital including number of shares for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions,

(b) number and recorded value for shares issued and outstanding,

(c) description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and

(d) number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer.

4. List the names of the directors and officers, with an indication of the position(s) held, as at the date this report is signed and filed.

Name of Director/Officer	Position(s) Held
James Nelson	President, CEO, Secretary & Director
Gregory Thomson	Director
Seth Kay	Director
Cindy Cai	CFO

SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS

Provide Interim MD&A if required by applicable securities legislation.

See Management's Discussion & Analysis attached

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Quarterly Listing Statement.

2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.

3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).

4. All of the information in this Form 5 Quarterly Listing Statement is true.

Dated *June 10, 2020*.

James Nelson
Name of Director or Senior Officer

"Signed"
Signature

President, CEO, Secretary & Director
Official Capacity

Issuer Details Name of Issuer ***Cruz Cobalt Corp.***	For Quarter Ended ***2020/04/30***	Date of Report YY/MM/DD ***2020/06/10***
Issuer Address ***#1470 - 701 West Georgia Street***		
City/Province/Postal Code ***Vancouver, BC V7Y 1C6***	Issuer Fax No. ***604-689-1733***	Issuer Telephone No. ***604-899-9150***
Contact Name ***James Nelson***	Contact Position ***President, CEO*** ***Secretary & Director***	Contact Telephone No. ***604-899-9150***
Contact Email Address ***info@cruzcobaltcorp.com***	Web Site Address ***www.cruzcobaltcorp.com***	

Schedules A and C

CRUZ COBALT CORP.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

April 30, 2020 and 2019

NOTICE OF NO AUDITOR REVIEW

The unaudited condensed consolidated interim financial statements, and accompanying notes thereto, for the periods ended April 30, 2020 and 2019 have not been reviewed by the Company's external auditor.

CRUZ COBALT CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

ASSETS	April 30, 2020	July 31, 2019
Current assets		
Cash and cash equivalents – Note 4	$ 1,804,910	$ 2,062,547
Receivables – Note 5	28,800	25,340
Rent deposit	29,620	29,620
Prepaid expenses – Note 6	14,367	17,772
Total current assets	1,877,697	2,135,279
Non-current assets		
Exploration and evaluation assets – Note 7	1,248,556	1,262,324
Total assets	$ 3,126,253	$ 3,397,603
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities – Notes 8 and 11	$ 12,252	$ 60,754
SHAREHOLDERS' EQUITY		
Share capital – Note 9	19,235,578	19,087,872
Reserves – Note 9	1,641,081	1,581,249
Accumulated deficit	(17,762,658)	(17,332,272)
Total shareholders' equity	3,114,001	3,336,849
Total liabilities and shareholders' equity	$ 3,126,253	$ 3,397,603

Nature and Continuance of Operations (Note 1)

APPROVED BY THE DIRECTORS:

"Seth Kay"	Director	*"James Nelson"*	Director
Seth Kay		James Nelson	

CRUZ COBALT CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)

	Three months ended April 30,		Nine months ended April 30,	
	2020	2019	2020	2019
Operating expenses				
Consulting	$ 24,750	$ 23,820	$ 66,750	$ 65,820
Corporate branding	24,193	17,072	33,554	23,072
Investor relations	-	75,000	-	225,000
Management and directors' fees – Note 11	26,400	24,000	99,200	92,000
Office and miscellaneous	30,388	26,242	82,881	60,678
Professional fees – Note 11	17,597	15,164	62,428	61,240
Shareholder information	3,595	-	5,796	3,303
Share-based payments – Notes 9 and 11	-	-	59,832	-
Transfer agent and filing fees	4,320	3,515	13,549	14,309
Travel and misc	1,595	832	9,483	5,270
	(132,838)	(185,645)	(433,473)	(550,692)
Interest income	6,178	7,799	18,377	25,458
Write-down of exploration and evaluation assets – Note 7	-	-	(15,290)	-
	6,178	7,799	3,087	25,458
Net comprehensive loss for the period	$ (126,660)	$ (177,846)	$ (430,386)	$ (525,234)
Loss per share – basic and diluted – Note 10	$ (0.00)	$ (0.00)	$ (0.01)	$ (0.01)
Weighted average number of shares outstanding – basic and diluted – Note 10	83,472,697	78,646,890	80,425,746	78,646,890

CRUZ COBALT CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)

	Nine months ended April 30, 2020	2019
Operating Activities		
Loss for the period	$ (430,386)	$ (525,234)
Adjustments for non-cash items:		
Share-based payments	59,832	-
Write-down of exploration and evaluation assets	15,290	-
Changes in non-cash working capital items:		
Receivables	(3,460)	15,619
Prepaid expenses	3,405	226,280
Accounts payable and accrued liabilities	(37,048)	(31,425)
Cash used in operating activities	(392,367)	(314,760)
Investing Activities		
Exploration and evaluation assets	(17,976)	(304,739)
Recovery of exploration and evaluation assets	5,000	-
Cash used in investing activities	(12,976)	(304,739)
Financing Activities		
Proceeds from issuance of share capital	149,600	-
Share issue costs	(1,894)	-
Cash provided by financing activities	147,706	-
Decrease in cash during the period	(257,637)	(619,499)
Cash, beginning of the period	2,062,547	2,807,027
Cash, end of the period	$ 1,804,910	$ 2,187,528

Supplemental Disclosure with Respect to Cash Flows (Note 13)

CRUZ COBALT CORP.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(Expressed in Canadian Dollars)

	Share Capital			Accumulated	
	Number of shares	**Amount**	**Reserves**	**Deficit**	**Total**
Balance, July 31, 2018	78,646,890	$ 19,087,872	$ 1,581,249	$ (15,875,374)	$ 4,793,747
Loss for the period	-	-	-	(525,234)	(525,234)
Balance, April 30, 2019	78,646,890	$ 19,087,872	$ 1,581,249	$ (16,400,608)	$ 4,268,513
Loss for the period	-	-	-	(931,664)	(931,664)
Balance, July 31, 2019	78,646,890	19,087,872	1,581,249	(17,332,272)	3,336,849
Shares issued for private placement	4,825,807	149,600	-	-	149,600
Share issue costs	-	(1,894)	-	-	(1,894)
Stock options issued	-	-	59,832	-	59,832
Loss for the period	-	-	-	(430,386)	(430,386)
Balance, April 30, 2020	83,472,697	$ 19,235,578	$ 1,641,081	$ (17,762,658)	$ 3,114,001

1. NATURE AND CONTINUANCE OF OPERATIONS

Cruz Cobalt Corp. (the "Company") is an exploration stage public company and is listed on the Canadian Securities Exchange (the "CSE ") under the symbol "CRUZ". The Company's principal business activities include acquiring and exploring exploration and evaluation assets. At April 30, 2020, the Company had exploration and evaluation assets located in Canada and the U.S.A.

The Company's head office and principal business address is Suite 1470, 701 West Georgia Street, Vancouver, British Columbia, V7Y 1C6. The Company's registered and records office is located at 900 – 885 West Georgia Street, Vancouver, British Columbia, V6C 3H1.

These condensed consolidated interim financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realization of assets and discharge of liabilities in the normal course of business. At April 30, 2020, the Company had not yet achieved profitable operations, incurred a loss of $430,386 during the nine months ended April 30, 2020 and had an accumulated deficit of $17,762,658 since its inception. The Company expects to incur further losses in the development of its business, all of which may cast substantial doubt on the Company's ability to continue as a going concern. The Company may require additional financing in order to conduct the planned work programs on its exploration and evaluation assets, meet its ongoing levels of corporate overhead and discharge its liabilities as they come due. 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. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds. While the Company has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future. Accordingly, these condensed consolidated interim financial statements do not give effect to adjustments, if any, that would be necessary should the Company be unable to continue as a going concern. If the going concern assumption was not used, then the adjustments required to report the Company's assets and liabilities on a liquidation basis could be material to these condensed consolidated interim financial statements.

2. BASIS OF PREPARATION

a) Statement of Compliance

These condensed consolidated interim financial statements of the Company have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* ("IAS34") as issued by the International Accounting Standards Board ("IASB"). Therefore, these condensed consolidated interim financial statements do not include all of the information required for full annual financial statements, and should be read in conjunction with the Company's most recently issued audited financial statements for the year ended July 31, 2019, which includes information necessary or useful to understanding the Company's business and financial statement presentation. In particular, the Company's significant accounting policies, use of judgements and estimates were presented in Note 2 and Note 3 of these audited financial statements, and have been consistently applied in the preparation of these condensed consolidated interim financial statements.

2. BASIS OF PREPARATION (continued)

a) Statement of Compliance (continued)

These condensed consolidated interim financial statements were authorized for issue by the Board of Directors on June 10, 2020.

b) Basis of Consolidation

These condensed consolidated interim financial statements include the accounts of the Company and its wholly-owned subsidiaries. All inter-company balances, transactions, income and expenses have been eliminated upon consolidation.

c) Subsidiaries

Subsidiaries are entities controlled by the Company. Control exists when the Company has power over an investee, when the Company is exposed, or has rights, to variable returns from the investee and when the Company has the ability to affect those returns through its power over the investee. Subsidiaries are included in the consolidated financial results of the Company from the effective date of acquisition up to the effective date of disposition or loss of control. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company.

The principal subsidiaries of the Company as of April 30, 2020 are as follows:

Name of subsidiary	Principal activity	Place of Incorporation	Ownership Interest April 30, 2020	Ownership Interest July 31, 2019
Cobalt Locaters Inc.	Holding company	Canada	100%	100%
Cruz Capital (US) Corp.	Holding company	USA	100%	100%

3. NEW ACCOUNTING STANDARDS ADOPTED DURING THE PERIOD

IFRS 16 – Leases

New standard to establish principles for recognition, measurement, presentation and disclosure of leases with an impact on lessee accounting. The Company adopted this new standard on August 1, 2019. The adoption of this new standard has no impact on the Company's condensed consolidated interim financial statements.

4. CASH AND CASH EQUIVALENTS

The Company's cash and cash equivalents are denominated in Canadian Dollars and include the following components:

	April 30, 2020	July 31, 2019
Cash at bank	$ 30,410	$ 58,047
Short-term deposits	1,774,500	2,004,500
	$ 1,804,910	$ 2,062,547

5. RECEIVABLES

The Company's receivables comprise of goods and services tax ("GST") receivable due from Canadian government taxation authorities, accrued interest on short-term deposits, and reimbursements from two public companies with directors in common for recoverable office expenses.

	April 30, 2020	July 31, 2019
Related party receivable (Note 11)	$ 10,818	$ 1,804
Accounts receivable	4,290	-
Accrued interest on short-term deposits	9,030	18,025
GST recoverable	4,662	5,511
Total receivables	$ 28,800	$ 25,340

All amounts are short-term and the net carrying value of receivables is considered a reasonable approximation of fair value. The Company anticipates full recovery of these amounts and therefore no impairment has been recorded against receivables. The Company's receivables are all considered current and are not past due or impaired. The Company does not possess any collateral related to these assets.

6. PREPAIDS

The Company's prepaids are comprised of fees prepaid to vendors of the Company and include the following components:

	April 30, 2020	July 31, 2019
Corporate branding	$ 7,619	$ 7,500
Other prepaids	6,748	10,272
Total prepaids	$ 14,367	$ 17,772

7. EXPLORATION AND EVALUATION ASSETS

The Company's exploration and evaluation assets consist of the following mineral properties:

	BC War Eagle Cobalt	ON Cobalt Prospects	Yukon Quartz Claims	Idaho Star Cobalt Prospect	Montana Chicken Hawk Cobalt Prospect	Nevada Clayton Valley W. Lithium Property	Total
Balance, July 31, 2018	$ 19,615	$ 930,108	$ 16,343	$ 6,846	$ 690,881	$ 37,304	$ 1,791,097
Deferred exploration expenditures							
Geological expenses	3,000	89,756	-	-	-	-	92,756
Geological report	-	32,143	-	-	-	-	32,143
Claim maintenance fees	-	-	210	832	13,425	2,692	17,159
Drilling	-	115,147	-	-	-	-	115,147
Field supplies and equipment	-	9,547	-	-	-	-	9,547
Lab and assay	636	25,733	-	-	-	-	26,369
Travel & miscellaneous	7,448	37,486	-	-	-	-	44,934
Prior year advance for exploration	-	(11,413)	-	-	-	-	(11,413)
Write-down of exploration and evaluation assets	(21,109)	(40,000)	-	-	(704,306)	-	(765,415)
Balance, July 31, 2019	9,950	1,188,507	16,553	7,678	-	39,996	1,262,324
Acquisition costs							
Recovery of acquisition costs	-	(5,000)	-	-	-	-	(5,000)
Deferred exploration expenditures							
Geological report	2,500	-	-	-	-	-	2,500
Claim maintenance fees	-	-	210	903	-	2,909	4,022
Write-down of exploration and evaluation assets	-	(15,290)	-	-	-	-	(15,290)
Balance, April 30, 2020	$ 12,090	$ 1,168,217	$ 16,763	$ 8,581	$ -	$ 42,905	$ 1,248,556

7. EXPLORATION AND EVALUATION ASSETS (continued)

Title to Interests in Exploration and Evaluation Assets

Title to exploration and evaluation asset interests involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many exploration and evaluation assets. The Company has investigated title to all of its exploration and evaluation assets and, to the best of its knowledge, title to all of its interests are in good standing. However, this should not be construed as a guarantee of title. The concessions may be subject to prior claims, agreements or transfers, and rights of ownership may be affected by undetected defects.

BC War Eagle Cobalt Prospect – Staking

In June 2016, the Company acquired a 100% interest in certain mineral claims in British Columbia for staking costs of $3,496.

In January 2018, the Company acquired a 100% interest in certain mineral claims in British Columbia for staking costs of $7,283.

In October 2018, the Company decided to drop certain War Eagle claims and allowed them to lapse when they became due. Accordingly, prior acquisition costs of $7,283 and exploration costs of $12,716 associated with these lapsed claims were written off as of July 31, 2018.

During the year ended July 31, 2019, the Company decided to further reduce the size of certain War Eagle claims. Accordingly, prior acquisition costs of $2,404 and exploration costs of $18,705 were written off.

As at April 30, 2020, the Company had spent a total of $10,998 in exploration expenditures on this prospect.

BC and ON Cobalt Prospects – Share Purchase Agreement and Staking

On July 22, 2016, the Company entered into a share purchase agreement (the “Cobalt Locaters SPA”) with four arm’s length vendors (the “Vendors”) to purchase 100% of the issued and outstanding shares of Cobalt Locaters Inc., which holds a 100% interest in two cobalt prospects in B.C. (the "Purcell Cobalt Prospect") and a 50% interest in four cobalt prospects in Ontario (the "Coleman Cobalt Prospect", the "Bucke Cobalt Prospect", the "Hector Cobalt Prospect", and the "Johnson Cobalt Prospect"). The acquisition has been accounted for as an asset acquisition. In August 2016, the Company paid $20,000 cash and issued 4,800,000 shares (issued at a value of $816,000) to the Vendors pursuant to the Cobalt Locaters SPA. Cobalt Locaters Inc. became a wholly-owned subsidiary of the Company. The acquisition costs had been split evenly between these six cobalt properties. During the year ended July 31, 2019, the Company acquired the remaining 50% interest in the above four Ontario cobalt prospects from an arm's length vendor at no costs. As of today, the Company holds a 100% interest in the above four Ontario cobalt prospects.

In September 2016, the Company acquired a 100% interest in certain mineral claims in Ontario to increase the holdings in its Johnson Cobalt Prospect, Bucke Cobalt Prospect and Hector Cobalt Prospect for staking costs of $19,500.

7. EXPLORATION AND EVALUATION ASSETS (continued)

BC and ON Cobalt Prospects – Share Purchase Agreement and Staking (continued)

In December 2016, the Company acquired a 100% interest in certain mineral claims in Ontario to increase the holdings in its Coleman Cobalt Prospect for staking costs of $2,300. Subsequent to July 31, 2018, the Company decided to drop these claims. Prior acquisition costs of $2,300 were written off as of July 31, 2018.

In June 2017, the Company acquired a 100% interest in certain mineral claims in Ontario to increase the holdings in its Coleman Cobalt Prospect for staking costs of $1,268.

In December 2017, the Company acquired a 100% interest in certain mineral claims in Ontario referred to as the Lorraine Cobalt Prospect for staking costs of $40,000. In August 2019, the Company decided to drop these claims and allowed them to lapse when they became due. Accordingly, prior staking costs of $40,000 were written off as of July 31, 2019.

In January and April 2018, the Company acquired a 100% interest in certain mineral claims in Ontario to increase the holdings in its Lorraine Cobalt Prospect for staking costs of $20,890. During the nine months ended April 30, 2020, the Company decided to drop certain claims and will allow them to lapse when they become due. Accordingly, prior staking costs of $15,290 were written off.

On November 6, 2019, the Company entered into an agreement with RJK Explorations Ltd. ("RJK"), an arm's length party. Pursuant to the agreement, RJK paid $5,000 to the Company in exchange for the exclusive right for a period of 30 days from the date of such payment, at RJK's own risk and expense, to enter on the Lorraine claims to conduct mineral sampling activities and geophysical surveys. Accordingly, $5,000 were used to offset prior acquisition costs of the Lorraine claims.

As at April 30, 2020, the Company had spent a total of $589,515 in exploration expenditures on the ON Cobalt Prospects.

Yukon Quartz Claims – Purchase Agreement

During the year ended July 31, 2010, the Company acquired a 100% interest in certain quartz mineral claims located in the Yukon Territory.

During the years ended July 31, 2013, 2015 and 2016, the Company decided not to continue with certain claims and allowed these claims to lapse when they became due. Accordingly, prior acquisition costs of $670,862 and exploration costs of $34,838 associated with these lapsed claims were written off.

As at April 30, 2020, the Company had spent a total of $2,127 in exploration expenditures on the remaining Yukon Quartz claims.

7. EXPLORATION AND EVALUATION ASSETS (continued)

Idaho Star Cobalt Prospect – Staking

In October 2016, the Company acquired a 100% interest in the Idaho Star Cobalt Prospect in Idaho, U.S.A. for staking costs of $39,964.

In August 2018, the Company decided to drop certain Idaho claims and allowed them to lapse when they became due. Prior acquisition costs of $36,330 and exploration costs of $32,122 were written down as of July 31, 2018.

As at April 30, 2020, the Company had spent a total of $4,948 in exploration expenditures on this prospect.

Nevada Clayton Valley West Lithium Prospect – Purchase Agreement

On September 15, 2015, the Company entered into a purchase agreement with an arm's length vendor (the "Vendor") to acquire a 100% interest in certain mineral claims in the Clayton Valley in Nevada, U.S.A. In consideration, the Company was to issue 1,200,000 common shares to the Vendor.

On October 7, 2015, the Company amended the purchase agreement with the Vendor at no additional cost or share issuance, to acquire a 100% interest in additional mineral claims.

On October 21, 2015, the Company further amended the purchase agreement and the amendment dated October 7, 2015 with the Vender. The new terms are for the Company to issue 900,000 common shares to the Vendor. During the year ended July 31, 2016, these shares were issued to the Vendor valued at $30,000.

As of April 30, 2020, the Company had incurred a total of $10,905 in claim maintenance fees on this prospect.

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities recognized in the statement of financial position can be analyzed as follows:

	April 30, 2020	July 31, 2019
Trade payables	$ 12,252	$ 38,154
Accrued liabilities	-	22,600
Total accounts payable and accrued liabilities	$ 12,252	$ 60,754

All amounts are short-term. The carrying value of trade payables and accrued liabilities is considered a reasonable approximation of fair value due to the short-term nature of these instruments.

9. SHARE CAPITAL AND RESERVES

Authorized: An unlimited number of common shares, without par value

(a) Private placements

Nine months ended April 30, 2020

In January 2020, the Company closed a non-brokered private placement consisting of 4,825,807 units at $0.031 per share for gross proceeds of $149,600. Each unit consisted of one common share and one share purchase warrant which entitles the holder to purchase one additional common share of the Company at a price of $0.05 per share until January 17, 2025. The Company incurred filing and legal fees totalling $1,894 in connection with the financing.

Nine months ended April 30, 2019

The Company did not close any private placements during the nine months ended April 30, 2019.

(b) Share purchase warrants

The following is a summary of changes in share purchase warrants from July 31, 2018 to April 30, 2020:

	Number	Weighted Average Exercise Price
Balance, July 31, 2018 and 2019	17,171,848	$0.20
Issued	4,825,807	$0.05
Expired	(12,483,515)	$0.26
Balance, April 30, 2020	9,514,140	$0.05

At April 30, 2020, the Company had 9,514,140 share purchase warrants outstanding. Each warrant entitles the holder the right to purchase one common share as follows:

Number	Exercise Price	Expiry Date
183,333	$0.21	August 11, 2020
4,505,000	$0.05	June 13, 2021
4,825,807	$0.05	January 17, 2025
9,514,140		

9. SHARE CAPITAL AND RESERVES (continued)

(c) Share-based payments

The Company has a stock option plan whereby the maximum number of shares reserved for issue under the plan shall not exceed 10% of the outstanding common shares of the Company, as at the date of grant. The exercise price of each option granted under the plan may not be less than the market price of the Company's stock as calculated on the date of grant less the applicable discount, subject to a minimum exercise price of $0.05. Options may be granted for a maximum term of five years and vesting periods are determined by the Board of Directors. Pursuant to the regulations of the CSE, stock options may be granted outside of the stock option plan.

The following is a summary of changes in share purchase options from July 31, 2018 to April 30, 2020:

	Number	Weighted Average Exercise Price
Outstanding and exercisable, July 31, 2018	2,329,775	$0.27
Expired	(2,329,775)	$0.27
Outstanding and exercisable, July 31, 2019	-	$Nil
Granted	5,000,000	$0.07
Outstanding and exercisable, April 30, 2020	5,000,000	$0.07

As of April 30, 2020, 5,000,000 share purchase options were outstanding and exercisable entitling the holders thereof the right to purchase one common share for each option held at an exercise price of $0.07 per share until January 20, 2021.

During the nine months ended April 30, 2020, the Company granted 5,000,000 stock options with an exercise price of $0.07 per share and an expiry date of January 20, 2021 (nine months ended April 30, 2019: Nil stock options were granted). The weighted average fair value of the options issued in the nine months ended April 30, 2020 was estimated at $0.01 per option at the grant date using the Black-Scholes option pricing model with the following assumptions:

	Nine months ended April 30, 2020	Nine months ended April 30, 2019
Weighted average expected dividend yield	0.0%	N/A
Weighted average expected volatility *	118.05%	N/A
Weighted average risk-free interest rate	1.67%	N/A
Weighted average expected term	1 year	N/A

* Expected volatility has been based on historical volatility of the Company's publicly traded shares.

Total expenses arising from share-based payment transactions recognized during the nine months ended April 30, 2020 were $59,832 (nine months ended April 30, 2019: $Nil).

10. LOSS PER SHARE

The calculation of basic and diluted loss per share was based on the following data:

	Nine months ended April 30, 2020	2019
Loss	$ (430,386)	$ (525,234)
Weighted average number of common shares for the purpose of basic and diluted loss per share	80,425,746	78,646,890

Basic loss per share is computed by dividing loss by the weighted average number of common shares outstanding during the period. Diluted loss per share reflects the potential dilution of common share equivalents, such as stock options and share purchase warrants, in the weighted average number of common shares outstanding during the period, if dilutive. All of the stock options and share purchase warrants currently issued (see Note 9) were anti-dilutive for the nine months ended April 30, 2020 and 2019.

Basic and diluted loss per share for the nine months ended April 30, 2020 was $(0.01) (nine months ended April 30, 2019: $(0.01)).

11. RELATED PARTY TRANSACTIONS

Key management personnel compensation

Key management of the Company are directors and officers of the Company and their remuneration includes the following:

	Nine months ended April 30, 2020	2019
Management and directors' fees	$ 99,200	$ 92,000
Professional fees	58,600	52,500
Share-based payments *	53,848	-
	$ 211,648	$ 144,500

* Share-based payments are the fair value of options granted to key management personnel as at the grant date.

Related party balances

At April 30, 2020, accounts payable and accrued liabilities include $1,196 (July 31, 2019: $8,167) payable to one officer and one director of the Company for unpaid office expenses. These amounts are unsecured, non-interest bearing and payable on demand.

At April 30, 2020, related party receivables include $10,818 (July 31, 2019: $1,804) due from two public companies with common directors for recoverable office expenses.

12. SEGMENTAL REPORTING

The Company operates in one business segment, being the acquisition and exploration of mineral properties. The Company's exploration and evaluation assets are distributed by geographic location as follows:

	April 30, 2020	July 31, 2019
Canada	$ 1,197,070	$ 1,214,650
U.S.A.	51,486	47,674
	$ 1,248,556	$ 1,262,324

13. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Investing and financing activities that do not have a direct impact on cash flows are excluded from the statement of cash flows. The following transactions were excluded from the statements of cash flows:

Nine months ended April 30, 2020:

a) There were no significant non-cash investing and financing activities.

Nine months ended April 30, 2019:

b) Included in accounts payable and accrued liabilities was $10,819 for exploration and evaluation assets.

CRUZ COBALT CORP.

For the nine months ended April 30, 2020

Management's Discussion and Analysis ("MD&A")

Date of Report: June 10, 2020

The following discussion and analysis of the Company's financial condition and results of operations for the nine months ended April 30, 2020 should be read in conjunction with its condensed consolidated interim financial statements and related notes. The requisite financial data presented for the relevant periods has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

All dollar figures included therein and in the following MD&A are quoted in Canadian dollars.
Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

Disclaimer for Forward-Looking Information

Certain statements in this report are forward-looking statements, which reflect management's expectations regarding the Company's future growth, results of operations, performance, business prospects and opportunities such as the intended work programs on its existing property interests, the ability to meet financial commitments and the ability to raise funds when required. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them. These forward-looking statements reflect management's current views and are based on certain assumptions and speak only as of the date of this Management's Discussion and Analysis. These assumptions, which include management's current expectations, estimates and assumptions about its current property interests, the global economic environment, the market price and demand for mineral commodities and its ability to manage the property interests and operating costs, may prove to be incorrect. A number of risks and uncertainties could cause the actual results to differ materially from those expressed or implied by the forward-looking statements, including: (1) a downturn in general economic conditions, (2) a decreased demand or price for mineral commodities, (3) delays in the start of projects with respect to its property interests, (4) inability to locate and acquire additional property interests, (5) the uncertainty of government regulation and politics in North America regarding mineral exploration and mining, (6) potential negative financial impact from regulatory investigations, claims, lawsuits and other legal proceedings and challenges, and (7) other factors beyond its control.

There is a significant risk that such forward-looking statements will not prove to be accurate. Investors are cautioned not to place undue reliance on these forward-looking statements. No forward-looking statement is a guarantee of future results. Except as required by law, the Company disclaims any intention or obligation to update or revise any forward-looking statements. Additional information about these and other assumptions, risks and uncertainties are set out in the section entitled "Risk Factors" below.

Nature of Business

Cruz Cobalt Corp. (the "Company") is involved in the identification, acquisition and exploration of mineral properties that management deems as potentially viable to assist in the growth of the Company. At April 30, 2020, the Company had mineral property interests located in Canada and in the USA.

Mineral Properties
Ontario Cobalt Prospects

In July 2016, the Company entered into a share purchase agreement (the "Cobalt Locaters SPA") with four arm's length vendors to purchase all of the issued and outstanding shares of Cobalt Locaters Inc., which holds a 100% interest in two cobalt prospects in B.C. and a 50% interest in four cobalt prospects in Ontario consisting of the Coleman Cobalt Prospect, the Bucke Cobalt Prospect, the Hector Cobalt Prospect, and the Johnson Cobalt Prospect. In March 2019, the Company acquired the remaining 50% interest in the above four Ontario cobalt prospects from an arm's length vendor at no costs. As of today, the Company holds a 100% interest in the above four cobalt prospects in Ontario and two in B.C.

In September 2016, the Company acquired a 100% interest in: 22 additional claim units for staking costs of $2,200 to increase the acreage of the Johnson Cobalt Prospect to approximately 900 acres; 36 claim units for staking costs of $3,600 to increase the acreage of Bucke Cobalt Prospect to approximately 1,480 acres; and 137 claim units for staking costs of $13,700 to increase the acreage of the Hector Cobalt Prospect to approximately 5,500 acres.

In December 2016, the Company acquired a 100% interest in 23 additional claim units for staking costs of $2,300 to increase the acreage of Coleman Cobalt Prospect to approximately 900 acres. In November 2018, the Company decided to drop these claim units. Prior acquisition costs of $2,300 were written off as of July 31, 2018.

In June 2017, the Company acquired a 100% interest in additional mineral claims in Ontario to increase the holdings in its Coleman Cobalt Prospect to approximately 1,580 acres for staking costs of $1,268.

In December 2017, the Company acquired a 100% interest in additional mineral claims in Ontario referred to as the Lorraine Cobalt Prospect that comprised approximately 8,935 acres for staking costs of $40,000. In August 2019, the Company decided to drop these claims and allowed them to lapse when they became due. Accordingly, prior staking costs of $40,000 were written off as of July 31, 2019.

In January and April 2018, the Company acquired a 100% interest in additional mineral claims in Ontario referred to as the Lorraine Cobalt Prospect that comprise approximately 1,621 acres and 305 cell units, respectively, for staking costs of $20,890. During the nine months ended April 30, 2020, the Company decided to drop certain claims and will allow them to lapse when they become due. Accordingly, prior staking costs of $15,290 were written off.

On November 6, 2019, the Company entered into an agreement with RJK Explorations Ltd. ("RJK"), an arm's length party. Pursuant to the agreement, RJK paid $5,000 to the Company in exchange for the exclusive right for a period of 30 days from the date of such payment, at RJK's own risk and expense, to enter on the Lorraine claims to conduct mineral sampling activities and geophysical surveys. Accordingly, $5,000 were used to offset prior acquisition costs of the Lorraine claims.

As disclosed in news releases on July 17, 2017, July 25, 2017, and September 7, 2017, the Company has received drill permits for the Bucke Cobalt Prospect, the Johnson Cobalt Prospect and the Hector Cobalt Prospect, which have each been approved by the Ministry of Northern Development and Mines.

As disclosed in a news release on August 15, 2018, the Company completed a magnetic geophysical survey. 203 soils and 31 grab samples have been submitted to ALS in Sudbury. On September 18, 2018, the Company announced that a total of 5 rock grab samples returned greater than 0.1% cobalt and up to 2.02% cobalt (2018BKP040) from the Gillies East anomaly, in addition to anomalous silver and gold values (Table 1). Mineralization in outcrop occurs as narrow diabase-hosted potassium feldspar-carbonate veins ranging in width from less than 5 and up to 25 cm in width.

Table 1: 2018 Hector Cobalt Property Significant Rock Grab Sample Results

Sample ID	Prospect	Sample Type	Co (%)	Ag (g/t)	Au (g/t)
2018KBP040	Gillies East	Prospect Pit Float	**2.02**	**13.1**	-
2018KBP042		Outcrop	**0.61**	**4.1**	-
2018KBP034	Gillies West	Outcrop	**0.82**	-	-
2018KBP033		Outcrop	**0.42**	-	-
2018KBP037		Prospect Pit Float	**0.19**	-	-
2018KBP061		Outcrop	-	-	**0.37**

Of the 203 soil geochemical samples collected, a total of 22 samples returned greater than 10 parts-per-million (ppm) cobalt, and up to 98 ppm cobalt. Humus soil geochemical results define several north-northwest trending cobalt anomalies. A 200 x 200 meter cobalt soil anomaly centred on 3 samples returning greater than 20 ppm cobalt (Hector Anomaly) occurs a distance of 300 meters to the northwest of the historic Hector Silver Mine Shaft.

The Gillies East cobalt in soil anomaly lies a further 600 metres to the northwest, centred over an area of several historic prospect pits that returned cobalt in float and rock outcrop values of 2.02% and 0.61% cobalt. Along the western margin of the survey area, the northwest tending Gilles West anomaly returned the highest cobalt in soil results of 98 ppm cobalt, in addition to rock outcrop and float sample results of 0.82%, 0.42% and 0.19% cobalt, and 0.37 grams-per-tonne gold (2018KBP061).

The results of the geophysical survey define a 1.2 km northwest trending arcuate magnetic high anomaly interpreted to represent a strongly magnetic phase of a shallowly dipping Nipissing diabase sill that underlies much of the Hector Cobalt Property claims. The magnetic anomaly is coincident with the cobalt in soil anomalies and the location of numerous historic exploration pits targeting cobalt-silver mineralization; including the Historic Hector Silver Mine shaft that lies off the Property along eastern boundary.

As disclosed in a news release on January 28, 2019, the Company completed an exploration diamond drill program at its 4,980-acre Hector Cobalt Property comprising 10 holes totaling 843 metres (m).

The drilling was designed to test combined surface rock and soil geochemical and ground magnetic geophysical anomalies at the Hector and Gilles East targets, which were generated during the Company's summer 2018 surface exploration programs that yielded surface rock grab samples up to 2.0% cobalt, in addition to anomalous silver and gold values.

A series of four closely spaced shallow drill holes totaling 395 m tested the Hector anomaly; three holes totaling 264 m targeted Gilles East 1; and three holes totaling 185 m at the targeting Gilles East 2 were completed (**Table 1**).

Table 1: Hector Cobalt Property Fall 2018 Diamond Drill Results

Target	Drill Hole	From (m)	To (m)	Interval (m)*	Co (ppm)	Cu (ppm)	Au (ppb)	Ag (ppm)
Hector	**18HC01**	5.12	16.00	10.88	66	132	-	-
	and	24.00	25.00	1.00	110	-	-	-
	18HC02	83.45	84.45	1.00	310	60	-	-
	and	89.45	91.45	2.00	110	110	-	-
	and	94.33	95.02	0.69	130	150	-	-
	18HC03	11.80	17.00	5.20	-	127	-	-
	and	89.10	89.60	0.50	130	240	-	-
	and	93.40	95.50	2.10	90	300	-	-
	18HC04	92.00	93.00	1.00	80	410	-	-
Gilles East 1	**18HC06**	10.50	15.50	5.00	42	162	-	-
	and	50.00	51.00	1.00	50	650	-	-
Gillies East 2	**18HC08**	8.00	9.00	1.00	-	-	37	1.3
	and	18.00	21.00	3.00	97	57	-	-
	18HC09	18.00	23.00	5.00	-	472	-	-
	including	18.00	19.00	1.00	-	1420	-	-
	and	74.15	74.65	0.50	120	-	21	-
	18HC10	15.00	16.00	1.00	110	-	33	-
	and	18.00	21.00	3.00	-	283	-	-
	including	19.00	20.00	1.00	-	560	-	-

* The true width of mineralization is estimated to be 70-80% of the drilled interval

Possible follow up work and drill programs are currently being formulated by management.

As at April 30, 2020, the Company had spent a total of $589,515 in exploration expenditures on the Ontario cobalt prospects.

Nevada Clayton Valley West Lithium Prospect

During the year ended July 31, 2016, the Company entered into an agreement with an arm's-length vendor to acquire a 100% interest in six claim blocks in the Clayton Valley in Nevada, USA prospective for lithium.

As of April 30, 2020, the Company had incurred a total of $10,905 in claim maintenance fees on this prospect.

BC War Eagle Cobalt Prospect

In June 2016, the Company acquired a 100% interest in certain mineral claims in British Columbia for staking costs of $3,496 and in January 2018, the Company acquired a 100% interest in additional mineral claims in British Columbia for staking costs of $7,283 to increase the acreage on the War Eagle Cobalt Prospect to 15,219 acres.

In October 2018, the Company decided to drop certain War Eagle claims that comprised approximately 10,284 acres and allowed them to lapse when they became due. Accordingly, prior acquisition costs of $7,283 and exploration costs of $12,716 associated with these lapsed claims were written off as of July 31, 2018.

During the year ended July 31, 2019, the Company decided to further reduce the size of certain War Eagle claims from 4,936 acres to 1,542 acres. Accordingly, prior acquisition costs of $2,404 and exploration costs of $18,705 were written off.

The Company conducted an airborne work program over its War Eagle Cobalt Prospect in January 2018.

As at April 30, 2020, the Company had spent a total of $10,998 in exploration expenditures on this prospect.

Yukon Quartz Claims

During the year ended July 31, 2010, the Company acquired a 100% interest in ninety-five load quartz mineral claims covering an area of approximately 4,836 acres, located in the Yukon Territory.

During the years ended July 31, 2013, 2015 and 2016, the Company decided not to continue with certain claims and allowed these claims to lapse when they became due. Accordingly, prior acquisition costs of $670,862 and exploration costs of $34,838 associated with these lapsed claims were written off.

As at April 30, 2020, the Company had spent a total of $2,127 in exploration expenditures on the remaining Yukon quartz claims.

Idaho Star Cobalt Prospect

In October 2016, the Company acquired a 100% interest in the Idaho Star Cobalt Prospect in Idaho, U.S.A. for staking costs of $39,964. This prospect is located approximately 9 miles southwest of Saltese, Montana and 19 miles southeast of Wallace, Idaho. This prospect consists of 44 contiguous claims within the Idaho Cobalt Belt. In July 2017, the Company conducted a soil sampling program on its Idaho Star Cobalt Prospect.

In August 2018, the Company decided to drop certain Idaho claims and allowed them to lapse when they became due. Prior acquisition costs of $36,330 and exploration costs of $32,122 were written down as of July 31, 2018.

The Company is considering a follow up program. However, a final decision has not been concluded at this time.

As at April 30, 2020, the Company had spent a total of $4,948 in exploration expenditures on this prospect.

The Company will continue exploration activities on its properties if the Company is able to obtain sufficient financing. 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. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds. While the Company have been successful in securing financings in the past, there is no assurance that the Company will be able to do so in the future, and/or that the Company will be able to raise sufficient funds to meet its work commitments for all of its properties.

Overall Performance

The Company is a mineral exploration company engaged in the business of acquisition, exploration and, if warranted, development of mineral properties. The Company does not expect to generate any revenues

in the foreseeable future or until a mineable reserve is defined and economically recoverable. The Company expects to continue to incur expenses as it works to further explore and develop its mineral properties.

The Company has conducted limited exploration on some of its properties, due to, among other things, the availability of sufficient funds for the purposes of mineral exploration and development, access to the property due to climate conditions, the uncertainties associated with the prices of precious and base metals and other minerals, and the global economic climate. The Company is in the process of exploring its mineral properties and has not yet determined whether the properties contain reserves that are economically recoverable.

The Company's future performance is largely tied to the outcome of future exploration and the overall financial markets. The recoverability of minerals from the Company's properties is dependent upon, among other things, the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to continue to explore and develop its properties and upon future profitable production. 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. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds. Uncertainty in credit markets, fluctuation in commodity prices and general economic downturns has led to increased difficulties in raising and borrowing funds. As a result, the Company may have difficulty raising equity financing for the purposes of exploration and development of the Company's properties, without diluting the interests of current shareholders of the Company. See "Liquidity and Capital Resources" and "Risk and Uncertainties" for a discussion of risk factors that may impact the Company's ability to raise funds.

Information about the Company's commitments relating to its mineral properties is discussed above under "Nature of Business – Mineral Properties".

The Company did not generate any revenue during the nine months ended April 30, 2020 and 2019. The Company's net comprehensive loss decreased from $525,234 for the nine months ended April 30, 2019 to $430,386 for the nine months ended April 30, 2020, mainly due to a decrease in operating expenses offset by an increase in the write-down of exploration and evaluation assets. The Company's cash and cash equivalents decreased from $2,062,547 as at July 31, 2019 to $1,804,910 as at April 30, 2020. The Company had a working capital of $1,865,445 as at April 30, 2020 as compared to $2,074,525 as at July 31, 2019.

The Company's current assets have decreased to $1,877,697 as at April 30, 2020 from $2,135,279 as at July 31, 2019, due mainly to a decrease in cash and cash equivalents. The Company's current liabilities have decreased from $60,754 as at July 31, 2019 to $12,252 as at April 30, 2020 due to a decrease in accounts payable and accrued liabilities. The value ascribed to the Company's exploration and evaluation assets has decreased from $1,262,324 as at July 31, 2019 to $1,248,556 as at April 30, 2020, due mainly to a write-down of the Ontario cobalt properties offset by claim maintenance fees incurred to keep the U.S. and Yukon claims in good standing as set described above.

Additional information about the risks and uncertainties relating to the Company's business and financial performance is discussed below under "Risks and Uncertainties".

Summary of Quarterly Results

The following table sets out selected quarterly financial data for the eight most recently completed interim quarters:

	2020 Third	2020 Second	2020 First	2019 Fourth	2019 Third	2019 Second	2019 First	2018 Fourth
Revenues	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil
Operating expenses	$(132,838)	$(200,425)	$(100,210)	$(173,272)	$(185,645)	$(200,646)	$(164,401)	$(70,093)
Loss before other items	$(132,838)	$(200,425)	$(100,210)	$(173,272)	$(185,645)	$(200,646)	$(164,401)	$(70,093)
Loss per share (Basic and diluted)	$(0.002)	$(0.003)	$(0.001)	$(0.002)	$(0.002)	$(0.003)	$(0.002)	$(0.001)
Other items:								
Interest income	$6,178	$12,043	$156	$7,023	$7,799	$8,620	$9,039	$9,240
Gain on write-off of accounts payable	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil	$16,660
Other income on settlement of flow-through share premium liability	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil	$3,410
Write-down of mineral properties	$Nil	(15,290)	$Nil	$(765,415)	$Nil	$Nil	$Nil	$(456,000)
Net comprehensive loss	$(126,660)	$(203,672)	$(100,054)	$(931,664)	$(177,846)	$(192,026)	$(155,362)	$(496,783)
Basic and diluted loss per share	$(0.002)	$(0.003)	$(0.001)	$(0.012)	$(0.002)	$(0.002)	$(0.002)	$(0.007)

Summary of Results During Prior Eight Quarters

Net comprehensive loss decreased by $341,421 from the fourth quarter of 2018 to the first quarter of 2019 mainly due to a decrease in the write-down of exploration and evaluation assets offset by an increase in operating expenses. Net comprehensive loss increased by $36,664 from the first to the second quarter of 2019 mainly due to an increase in management fees and other expenses. Net comprehensive loss decreased by $14,180 from the second to the third quarter of 2019 mainly due to a decrease in management fees and professional fees offset by an increase in corporate branding expenses. Net comprehensive loss increased by $753,818 from the third to the fourth quarter of 2019 mainly due to an increase in the write-down of exploration and evaluation assets. Net comprehensive loss decreased by $831,610 from the fourth quarter of 2019 to the first quarter of 2020 mainly due to a decrease in the write-down of exploration and evaluation assets. Net comprehensive loss increased by $103,618 from the first to the second quarter of 2020 mainly due to an increase in share-based payments and in management and directors' fees. Net comprehensive loss decreased by $77,012 from the second to the third quarter of 2020 mainly due to a decrease in share-based payments.

Three months ended April 30, 2020 Compared to the Three months ended April 30, 2019

The Company did not generate any revenue for the three months ended April 30, 2020 and 2019. Net comprehensive loss decreased by $51,186 from $177,846 for the three months ended April 30, 2019 to $126,660 for the three months ended April 30, 2020 due mainly to a decrease in operating expenses.

Operating expenses decreased by $52,807 from $185,645 for the three months ended April 30, 2019 to $132,838 for the three months ended April 30, 2020 due mainly to a decrease in investor relations expenses.

Decreased investor relations expenses (three months ended April 30, 2020: $Nil; three months ended April 30, 2019: $75,000) were due to the Company engaged two arm's length entities to provide digital marketing, digital media, corporate advisory and branding and strategic business services to the Company over an 18 month period from December 2017. The Company prepaid the total amount of $450,000 to these two entities using cash on hand and the service contract expired on May 31, 2019. Management does not have plans to enter into new investor relations contract as the Company has streamlined its work and is not looking to replace those consultants.

Nine months ended April 30, 2020 Compared to the Nine months ended April 30, 2019

The Company did not generate any revenue for the nine months ended April 30, 2020 and 2019. Net comprehensive loss decreased by $94,848 from $525,234 for the nine months ended April 30, 2019 to $430,386 for the nine months ended April 30, 2020 due mainly to a decrease in operating expenses offset by an increase in the write-down of exploration and evaluation assets (nine months ended April 30, 2020: $15,290; nine months ended April 30, 2019: $Nil). Operating expenses decreased by $117,219 from $550,692 for the nine months ended April 30, 2019 to $433,473 for the nine months ended April 30, 2020 due mainly to a decrease in investor relations expenses offset by an increase in share-based payments.

Decreased investor relations expenses (nine months ended April 30, 2020: $Nil; nine months ended April 30, 2019: $150,000) were due to the Company engaged two arm's length entities to provide digital marketing, digital media, corporate advisory and branding and strategic business services to the Company over an 18 month period from December 2017. The service contract expired on May 31, 2019. Management does not have plans to enter into new investor relations contract as the Company has streamlined its work and is not looking to replace those consultants.

Increased share-based payments (nine months ended April 30, 2020: $59,832; nine months ended April 30, 2019: $Nil) were due to the Company granted 5,000,000 stock options to its directors and consultants at a price of $0.07 per share for a one-year term (expiring on January 20, 2021) during the nine months ended April 30, 2020 as compared to Nil stock options were granted during the nine months ended April 30, 2019. The Company may grant options that are available under the approved stock option plan in the next 12 months period.

See “Nature of Business – Mineral Properties” for a discussion of the Company's mineral properties on a property by property basis, including its plans for the mineral properties, the status of its plans, expenditures made and the anticipated timing and costs to take its mineral properties to the next stage of the project plan.

See “Overall Performance” for a discussion of the commitments, events, risks and uncertainties that the Company believe will materially affect its future performance and “Risks and Uncertainties” for a discussion of risk factors affecting the Company.

Discussion of Operations

Use of Proceeds

The table below provides an update as to the status of how the Company has previously announced a proposed use of proceeds from prior financings and the actual use of such proceeds.

Financing	Previously Disclosed Use of Proceeds	Status of Use of
$550,000 Flow-through *August 2017* *Private Placement*	Flow-through funds - towards existing Canadian properties.	As of the date of this report, approximately $336,000 in flow-through funds were used; and $214,000 in flow-through funds has not been used.
$149,600 Non Flow-through *January 2020* *Private Placement*	Towards general working capital.	As of the date of this report, $149,600 were used towards general working capital.

In August 2017, the Company closed a non-brokered private placement (the "Offering") consisting of 2,619,047 flow-through shares at $0.21 per share for gross proceeds of $550,000. The Company incurred filing fees of $4,100 and legal fees of $7,170, paid an aggregate finders' fees of $38,500, and issued 183,333 broker warrants (the "Broker Warrants") in connection with the Offering. Each Broker Warrant is exercisable at $0.21 per share into one common share until August 11, 2020.

In January 2020, the Company closed a non-brokered private placement consisting of 4,825,807 units at $0.031 per share for gross proceeds of $149,600. Each unit consisted of one common share and one share purchase warrant which entitles the holder to purchase one additional common share of the Company at a price of $0.05 per share until January 17, 2025. The Company incurred filing and legal fees totalling $1,894 in connection with the financing

Liquidity and Capital Resources

Liquidity

At April 30, 2020, the Company had $1,804,910 in cash and cash equivalents and a working capital of $1,865,445 as compared to $2, 062,547 in cash and cash equivalents and a working capital of $2,074,525 at July 31, 2019.

The Company's current assets have decreased to $1,877,697 as at April 30, 2020 from $2,135,279 as at July 31, 2019, due mainly to a decrease in cash and cash equivalents. The Company's current liabilities have decreased from $60,754 as at July 31, 2019 to $12,252 as at April 30, 2020 due to a decrease in accounts payable and accrued liabilities. The value ascribed to the Company's exploration and evaluation assets has decreased from $1, 262,324 as at July 31, 2019 to $1,248,556 as at April 30, 2020, due mainly to a write-down of the Ontario cobalt properties offset by claim maintenance fees incurred to keep the U.S. and Yukon claims in good standing as set described above.

Management believes that the Company's cash and cash equivalents are sufficient to meet the current working capital requirements, including the existing commitments relating to the Company's mineral properties. But in future, the Company expects to raise additional capital as the needs arise. See "Nature of Business – Mineral Properties" and "Overall Performance" for a discussion of the Company's commitments relating to its mineral properties. As a mineral exploration company, its expenses are expected to increase as the Company explores its mineral properties further. Management does not expect the Company to generate sustained revenues from mineral production in the foreseeable future.

The Company's ability to conduct the planned work programs on its mineral properties, meet ongoing levels of corporate overhead and discharge its liabilities as they become due is dependent, in large part, on the ability of management to raise additional funds as necessary. Management anticipates that additional equity financings will need to be conducted to raise additional funds which, if successful, will result in

dilution in the equity interests of the Company's current shareholders. Obtaining commercial loans, assuming those loans would be available, will increase the Company's liabilities and future cash commitments. Although the Company have secured financings in the past, there is no assurance that the Company will be able to do so in the future on terms that is favourable to the Company or at all. The Company's ability to raise additional funds in the future and its liquidity may be negatively impacted by a number of factors, including changes in commodity prices, market volatility and general economic downturns.

Capital Resources

The Company has the following commitments for capital expenditures with respect to its mineral properties as of April 30, 2020. The expenditures are optional, and the Company may decide not to incur such payments in the event the Company does not decide to pursue further exploration with respect to such properties. As the BC Ministry continues to respond and adapt to the directions and orders issued in response to COVID-19, the Chief Gold Commissioner has issued a blanket Time Extension Order for all claims and leases, as well as all coal licenses and leases. All the Company's BC claims have fallen into this Order and therefore the Company has until December 31, 2021 to register a statement of exploration and development, or register payment instead of exploration and development. In addition, Government of Yukon has granted relief from assessment work for mineral claims set to expire between April 23, 2020 and April 22, 2021. By providing relief, existing claims that are due to expire between April 23, 2020and April 22, 2021, will have one year automatically added to their expiry date and remain in good standing without having to perform work or make payment in lieu. All the Company's Yukon claims have fallen into this relief and will remain in good standing until October 3, 2021. Lastly, Ministry of Energy, Northern Development and Mines ("MNDM") of Ontario published a bulletin, Exclusions of Time for Claim Holders Due to COVID-19, on April 17, 2020. Pursuant to the Bulletin, claim holders with claim anniversary dates on or before December 31, 2020 will be given an exclusion order by making a brief request via email. The exclusion orders will remove the requirement to carry out assessment work for a period of time of up to 12 months. The Company will mark its calendar to email the Provincial Recording Office at pro.ndm@ontario.ca to obtain the exclusion order for our qualified claims.

- *BC War Eagle Cobalt Prospects*:
    - The Company owns a 100% interest in one mineral claim, which is in good standing until December 31, 2021. In order to keep this claim in good standing, the Company is required to incur a minimum of $9,362 in exploration expenditures on this claim by December 31, 2021 or to pay cash-in-lieu of $18,724.
- *Yukon Quartz Claims*:
    - Two Yukon Quartz claims are in good standing until October 3, 2021. In order to renew these claims for another year, the Company is required to pay an annual rent of $210 to the Government of Yukon by October 3, 2021 for the Yukon Quartz claims, unless the Company spends an amount greater than that in exploration beforehand. In addition, the Company is also required to pay the claim recording fees of $10 to the Government of Yukon by October 3, 2021.
- *Ontario Bucke Cobalt Prospects*:
    - These mineral claims are in good standing until July 19, 2021 or later. In order to keep these claims in good standing, the Company is required to incur a minimum of $12,800 in exploration expenditures on these claims by July 19, 2021.

- *Ontario Coleman Cobalt Prospects*:

    - Four claim units are in good standing until July 19, 2020. The Company will email the Provincial Recording Office on June 19, 2020 to obtain an exclusion order to remove the requirement to carry out assessment work for a period of time of up to 12 months. As a result, to keep these claims in good standing, the Company will have until July 19, 2021 to incur a minimum of $1,600 in exploration expenditures on these claims.

    - 28 claim units are in good standing until December 1, 2020. The Company will email the Provincial Recording Office on November 1, 2020 to obtain an exclusion order to remove the requirement to carry out assessment work for a period of time of up to 12 months. As a result, to keep these claims in good standing, the Company will have until December 1, 2021 to incur a minimum of $6,000 in exploration expenditures on these claims.

    - 15 claim units are in good standing until June 26, 2021 or later. In order to keep these claims in good standing, the Company is required to incur a minimum of $3,000 in exploration expenditures on these claims by June 26, 2021.

- *Ontario Hector Cobalt Prospects*:

    - Six mineral claims are in good standing until July 19, 2020. The Company will email the Provincial Recording Office on June 19, 2020 to obtain an exclusion order to remove the requirement to carry out assessment work for a period of time of up to 12 months. As a result, to keep these claims in good standing, the Company will have until July 19, 2021 to incur a minimum of $1,200 in exploration expenditures on these claims.

    - 120 mineral claims are in good standing until September 26, 2020. The Company will email the Provincial Recording Office on August 26, 2020 to obtain an exclusion order to remove the requirement to carry out assessment work for a period of time of up to 12 months. As a result, to keep these claims in good standing, the Company will have until September 26, 2021 to incur a minimum of $39,000 in exploration expenditures on these claims.

- *Ontario Johnson Cobalt Prospects*:

    - These mineral claims are in good standing until July 19, 2021 or later. In order to keep these claims in good standing, the Company is required to incur a minimum of $6,000 in exploration expenditures on these claims by July 19, 2021.

- *Ontario Lorraine Cobalt Prospects*:

    - 23 mineral claims are in good standing until December 29, 2021. In order to keep these claims in good standing, the Company is required to incur a minimum of $8,600 in exploration expenditures on these claims or pay cash-in-lieu by December 29, 2021.

    - Eight mineral claims are in good standing until January 10, 2022. In order to keep these claims in good standing, the Company is required to incur a minimum of $2,000 in exploration expenditures on these claims or pay cash-in-lieu by January 10, 2022.

- *Nevada Clayton Valley West Lithium Prospect:*

    - These mineral claims are in good standing until September 1, 2020. In order to keep these claims in good standing, the Company is required to pay BLM fees of USD$1,980 and county fees of USD$144 by November 1, 2020.

- *Idaho Star Cobalt Prospect:*

    - These mineral claims are in good standing until September 1, 2020. In order to keep these claims in good standing, the Company is required to pay maintenance fees of USD$660 by September 1, 2020.

See "Nature of Business – Mineral Properties" for a discussion of the Company's capital expenditure commitments with respect to its mineral properties.

During the year ended July 31, 2017, the Company entered into a lease agreement for office premises for a three-year period beginning August 1, 2017 and ending July 31, 2020. The Company is required to pay office rent (net of taxes) as follows: pay a total of $21,831 by July 31, 2020. However, the Company shares its office space with two related public companies and one non-related company. The Company invoices these companies for their share of the office rent on a monthly basis.

Operating Activities

During the nine months ended April 30, 2020 and, 2019, operating activities used cash of $392,367 and $314,760, respectively. The use of cash for the nine months ended April 30, 2020 was mainly attributable to its loss for the period of $430,386 and a decrease in accounts payable and accrued liabilities of $37,048, offset by share-based payments of $59,832. The use of cash for the nine months ended April 30, 2019 was mainly attributable to its loss for the period of $525,234 offset by a decrease in prepaid expenses of $226,280.

Investing Activities

During the nine months ended April 30, 2020, the Company used cash of $12,976 in investing activities due to investments in exploration and evaluation assets in the amount of $17,976 offset by $5,000 in recovery of exploration and evaluation assets. During the nine months ended April 30, 2019, the Company used cash of $304,739 in investing activities due to investments in exploration and evaluation assets.

Financing Activities

During the nine months ended April 30, 2020, the Company was provided $147,706 by financing activities, of which $149,600 was proceeds from issuance of share capital, offset by share issue costs of $1,894.

During the nine months ended April 30, 2019, the Company did not provide or use any cash in financing activities.

Changes in Accounting Policies including Initial Adoption

New accounting standards adopted during the period

IFRS 16 – Leases

New standard to establish principles for recognition, measurement, presentation and disclosure of leases with an impact on lessee accounting. The Company adopted this new standard on August 1, 2019. The adoption of this new standard has no impact on the Company's condensed consolidated interim financial statements.

Off-Balance Sheet Arrangements

The Company does not utilize off-balance sheet arrangements.

Related Parties Transactions

During the nine months ended April 30, 2020, the Company incurred aggregate management and directors' fees of $99,200 to two directors, James Nelson and Seth Kay. There are no management agreements in place and the Company has no contractual requirement to continue paying management fees. Management fees, directors' fees and share-based payments are intended to compensate such persons for their time and dedication to the Company.

During the nine months ended April 30, 2020, the Company paid $58,600 to an officer in consideration for accounting services provided to the Company. Such payments were made in lieu of management fees to its Chief Financial Officer, Cindy Cai.

During the nine months ended April 30, 2020, the Company incurred share-based payments of $53,848 to three directors and one officer, being $11,966 to each of James Nelson and Seth Kay; $5,983 to Gregory Thomson; and $23,933 to Cindy Cai. As a mineral exploration issuer, the Company partially relies on the issuance of stock options to compensate its directors and officers for their time and dedication to the Company.

As at April 30, 2020, amount due to related parties were $1,196 (July 31, 2019: $8,167), which included $400 due to Cindy Cai for unpaid accounting fees and $796 due to Seth Kay for unpaid office expenses.

At April 30, 2020, related party receivables include $10,818 (July 31, 2019: $1,804) due from two public companies with common directors for recoverable office expenses as below: $2,141 due from Sienna Resources Inc. and $8,677 due from Spearmint Resources Inc.

All transactions with related parties have occurred and are measured at the amount of consideration established and agreed to by the related parties.

Financial Instruments and Other Instruments

The Company's financial instruments consist of cash and cash equivalents, receivables, and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Company's current financial instruments will not be affected foreign exchange risk, credit risk, interest rate risk and price risk. The fair value of these financial instruments approximates their carrying value, unless otherwise noted.

Proposed Transactions

Other than as disclosed herein, the Company does not have any proposed transactions as of the date of this report.

Additional Disclosure for Venture Issuers without Significant Revenue

During the nine months ended April 30, 2020 and 2019, the Company incurred expenses including the following:

	2020	**2019**
Operating expenses	$433,473	$550,692
Capitalized exploration costs	$6,522	$315,558
Recovery of exploration and evaluation assets	$5,000	$Nil
Write-down of exploration and evaluation assets	$15,290	$Nil

Please refer to Note 7 *Exploration and Evaluation Assets* in the condensed consolidated interim financial statements for the nine months ended April 30, 2020 for a description of the capitalized acquisition and exploration costs presented on a property-by-property basis.

Disclosure of Outstanding Share Data

Common Shares

The Company has authorized an unlimited number of common shares without par value.

As at April 30, 2020 and June 10, 2020, the Company had 83,472,697 common shares issued and outstanding.

Stock options

As at April 30, 2020 and June 10, 2020, the Company had 5,000,000 stock options outstanding and exercisable which entitles the holders thereof the right to purchase one common share for each option held at an exercise price of $0.07 per share until January 20, 2021.

Warrants

As at April 30, 2020 and June 10, 2020, the Company had 9,514,140 share purchase warrants outstanding. Each warrant entitles the holder the right to purchase one common share as follows:

Number	Exercise Price	Expiry Date
183,333	$0.21	August 11, 2020
4,505,000	$0.05	June 13, 2021
4,825,807	$0.07	January 17, 2025
9,514,140		

Risks and Uncertainties

Because of the unique difficulties and uncertainties inherent in mineral exploration ventures, the Company face a high risk of business failure.

Potential investors should be aware of the difficulties normally encountered by mineral exploration companies and the high rate of failure of such enterprises. The likelihood of success must be considered in light of the problems, expenses, difficulties, complications and delays encountered in connection with the exploration program that the Company intend to undertake on its properties and any additional properties that the Company may acquire. These potential problems include unanticipated problems relating to exploration, and additional costs and expenses that may exceed current estimates. The expenditures to be made by the Company in the exploration of the properties may not result in the discovery of any mineral deposits. Any expenditure that the Company may make in the exploration of any other mineral property that the Company may acquire may not result in the discovery of any commercially exploitable mineral deposits. Problems such as unusual or unexpected geological formations and other conditions are involved in all mineral exploration and often result in unsuccessful and/or expensive exploration efforts. If the results of the exploration do not reveal viable commercial mineralization, the Company may decide to abandon or sell some or all the property interests.

Because of the speculative nature of the exploration of mineral properties, there is no assurance that the exploration activities will result in the discovery of any quantities of mineral deposits on the current properties or any other additional properties the Company may acquire.

The Company intend to continue exploration on the current properties and the Company may or may not acquire additional interests in other mineral properties. The search for mineral deposits as a business is extremely risky. The Company can provide investors with no assurance that exploration on the current properties, or any other property that the Company may acquire, will establish that any commercially exploitable quantities of mineral deposits exist. Additional potential problems may prevent the Company from discovering any mineral deposits. These potential problems include unanticipated problems relating to exploration and additional costs and expenses that may exceed current estimates. If the Company is unable to establish the presence of mineral deposits on the properties, the Company's ability to fund future exploration activities will be impeded, the Company will not be able to operate profitably, and investors may lose all their investment in the Company.

Because of the inherent dangers involved in mineral exploration and exploitation, there is a risk that the Company may incur liability or damages as the Company conducts business.

The search for mineral deposits involves numerous hazards. As a result, the Company may become subject to liability for such hazards, including pollution, cave-ins and other hazards against which the Company cannot insure or against which the Company may elect not to insure. At the present time the Company have no coverage to insure against these hazards. The payment of such liabilities may have a material adverse effect on the Company's financial position.

The potential profitability of mineral ventures depends in part upon factors beyond the control of the Company and even if the Company discover and exploit mineral deposits, the Company may never become commercially viable and the Company may be forced to cease operations.

The commercial feasibility of an exploration program on a mineral property is dependent upon many factors beyond the Company's control, including the existence and size of mineral deposits in the properties the Company explore, the proximity and capacity of processing equipment, market fluctuations of prices, taxes, royalties, land tenure, allowable production and environmental regulation. These factors cannot be accurately predicted and any one or a combination of these factors may result in the Company not receiving any return on invested capital. These factors may have material and negative effects on financial performance and the Company's ability to continue operations.

Exploration and exploitation activities are subject to comprehensive regulation which may cause substantial delays or require capital outlays in excess of those anticipated causing an adverse effect on the Company.

Exploration and exploitation activities are subject to foreign, federal, provincial, and local laws, regulations and policies, including laws regulating the removal of natural resources from the ground and the discharge of materials into the environment. Exploration and exploitation activities are also subject to foreign, federal, provincial, and local laws and regulations which seek to maintain health and safety standards by regulating the design and use of drilling methods and equipment. Properties may also be subject to complex Aboriginal claims.

Environmental and other legal standards imposed by foreign, federal, provincial, or local authorities may be changed, and any such changes may prevent the Company from conducting planned activities or may increase costs of doing so, which would have material adverse effects on the Company's business. Moreover, compliance with such laws may cause substantial delays or require capital outlays in excess of those anticipated, thus causing an adverse effect on the Company, especially, foreign laws and regulations. Additionally, the Company may be subject to liability for pollution or other environmental damages that the Company may not be able to or elect not to insure against due to prohibitive premium costs and other reasons. Any laws, regulations or policies of any government body or regulatory agency may be changed, applied or interpreted in a manner which will alter and negatively affect the Company's ability to carry on business.

Because the Company's property interests may not contain any mineral deposits and because the Company have never made a profit from operations, the Company's securities are highly speculative, and investors may lose all their investment in the Company.

The Company's securities must be considered highly speculative, generally because of the nature of its business and the stage of exploration. The Company currently has exploration stage property interests which may not contain mineral deposits. The Company may or may not acquire additional interests in other mineral properties, but the Company does not have plans to acquire rights in any specific mineral properties as of the date of this Management's Discussion and Analysis. Accordingly, the Company have not generated any revenues nor have the Company realized a profit from operations to date and there is little likelihood that the Company will generate any revenues or realize any profits in the short term. Any profitability in the future from the Company's business will be dependent upon locating and exploiting mineral deposits on current properties or mineral deposits on any additional properties that the Company may acquire and subsequent development. The likelihood that any mineral properties that the Company may acquire or have an interest in will contain commercially exploitable mineral deposits is extremely remote. The Company may never discover mineral deposits in respect to current properties or any other area, or the Company may do so and still not be commercially successful if the Company is unable to exploit those mineral deposits profitably. The Company may not be able to operate profitably and may have to cease operations, the price of the Company's securities may decline, and investors may lose all their investment in the Company.

As the Company face intense competition in the mineral exploration and exploitation industry, the Company will have to compete with competitors for financing and for qualified managerial and technical employees.

Competition includes large established mining companies with substantial capabilities and with greater financial and technical resources than the Company have. As a result of this competition, the Company may have to compete for financing and be unable to conduct any financing on terms the Company consider acceptable. The Company may also have to compete with the other mining companies for the recruitment and retention of qualified managerial and technical employees. If the Company is unable to successfully compete for financing or for qualified employees, the exploration programs may be slowed down or suspended, which may cause operations to cease as a company.

The Company have a history of losses and have a deficit, which raises substantial doubt about its ability to continue as a going concern.

The Company has not generated any revenues during the nine months ended April 30, 2020 and 2019. The Company will continue to incur operating expenses without revenues if and until the Company engages in commercial operations. Accumulated loss as of April 30, 2020 was $17,762,658 since inception. The Company had cash and cash equivalents in the amount of $1,804,910 as at April 30, 2020. The Company estimates the average monthly operating expenses to be approximately $50,000 each month. This estimate depends on whether the Company is active or inactive with the work programs. The Company cannot provide assurances that the Company will be able to successfully explore and develop its property interests. These circumstances raise substantial doubt about its ability to continue as a going concern, which was also described in an explanatory paragraph to the independent auditors' report on the Company's audited financial statements, July 31, 2019. If the Company is unable to continue as a going concern, investors will likely lose all their investments in the Company.

The Company's future is dependent upon its ability to obtain financing and if the Company does not obtain such financing, the Company may have to cease its exploration activities and investors could lose their entire investment.

There is no assurance that the Company will operate profitably or will generate any positive cash flow in the future. The Company will require additional financing in order to proceed with the exploration and, if warranted, development of its properties. The Company will also require additional financing for fees the Company must pay to maintain its status in relation to the rights to the properties and to pay the fees and expenses necessary to operate as a public company. The Company will also need more funds if the costs of the exploration of its mineral claims are greater than the Company has anticipated. The Company will require additional financing to sustain its business operations if the Company is not successful in earning revenues. The Company will also need further financing if the Company decides to obtain additional mineral properties. The Company currently does not have any arrangements for further financing as the Company believes that it is sufficiently funded for the current operations but in future the Company expects to raise additional capital as the needs arise. The Company's future is dependent upon its ability to obtain financing. If the Company does not obtain such financing, its business could fail, and investors could lose their entire investment.

The Company's directors and officers are engaged in other business activities and accordingly may not devote sufficient time to the Company's business affairs, which may affect its ability to conduct operations and generate revenues.

The Company's directors and officers are involved in other business activities. As a result of their other business endeavours, the Company's directors and officers will exercise their fiduciary duties and duty of care but nonetheless may not be able to devote sufficient time to the Company's business affairs, which may negatively affect the Company's ability to conduct ongoing operations and its ability to generate

revenues. In addition, the management of the Company may be periodically interrupted or delayed as a result of the Company's officers' other business interests.

RISKS RELATING TO THE COMPANY'S COMMON STOCK

A decline in the price of the Company's common stock could affect its ability to raise further working capital and adversely impact ability to continue operations.

A prolonged decline in the price of the Company's common stock could result in a reduction in the liquidity of its common stock and a reduction in its ability to raise capital. Because a significant portion of operations have been and will be financed through the continued sale of equity securities, a decline in the price of the common stock could be especially detrimental to liquidity and operations. Such reductions may force the Company to reallocate funds from other planned uses and may have a significant negative effect on business plans and operations, including the ability to continue current operations. If the Company's stock price declines, the Company can offer no assurance that it will be able to raise additional capital or generate funds from operations sufficient to meet its obligations. If the Company is unable to raise sufficient capital in the future, the Company may not be able to have the resources to continue normal operations or become insolvent.

The market price for the Company's common stock may also be affected by its ability to meet or exceed expectations of analysts or investors. Any failure to meet these expectations, even if minor, may have a material adverse effect on the market price of its common stock and its operations as a result.

Additional Information

The Company files annual and interim reports, information circulars and other information with certain Canadian securities regulatory authorities. The documents filed with the Canadian securities regulatory authorities are available at http://www.sedar.com.