FORM 5

QUARTERLY LISTING STATEMENT

Name of Listed Issuer: **ETRUSCUS RESOURCES CORP.** (the "Issuer").

Trading Symbol: **ETR**

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.

The Issuer's condensed interim financial statements for the three months ended June 30, 2020 are attached as Appendix A.

SCHEDULE B: SUPPLEMENTARY INFORMATION

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

1. Related party transactions

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.

All related party transactions have been disclosed in the Issuer's June 30, 2020 condensed interim financial statements and notes thereto, attached hereto as Appendix A.

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

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 of Shares	Price	Total Proceeds	Type of Consideration (cash, property, etc.)	Describe relationship of Person with Issuer (indicate if Related Person)	Commission Paid
6/3/20	Units	Priv Plmt	1,225,000	0.25	$306,250	Cash	Not related	$525
TOTAL			**1,225,000**		**$306,250**			**$525**

(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
5/25/20	230,000		Consultants	$0.25	5/25/2025	0.23

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

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.

Please refer to Appendix A, the Issuer's Condensed Interim Financial Statements for the three months ended June 30, 2020, specifically the Condensed Interim Statements of Changes in Equity and Note 7.

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.

Directors:	***Officers:***
Gordon Lam	**Gordon Lam- Chief Executive Officer**
Fiore Aliperti	**Fiore Aliperti- Executive Chairman**
Jason Leikam	**Jon Lever- CFO**
Michael Sikich	**Dave Webb- Vice President of Exploration**

SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS

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

Please refer to the Issuer's Management's Discussion and Analysis for the three months ended June 30, 2020, hereto attached as Appendix B.

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 August 18, 2020.

Gordon Lam
Name of Director or Senior Officer

"Gordon Lam"
Signature

CEO
Official Capacity

Issuer Details Name of Issuer **Etruscus Resources Corp.**	For Quarter Ended **June 30, 2020**	Date of Report **August 18, 2020**
Issuer Address **#604 – 850 West Hastings St.**		
City/Province/Postal Code **Vancouver, BC V6C 1E1**	Issuer Fax No. **(604) 687-5017**	Issuer Telephone No. **(604) 336-9088**
Contact Name **Gordon Lam**	Contact Position **CEO**	Contact Telephone No. **(604) 336-9088**
Contact Email Address gordon@etruscusresources.com	Web Site Address **www.etruscusresources.com**	

Appendix A- Condensed Interim Financial Statements

ETRUSCUS RESOURCES CORP.

Condensed Interim Financial Statements

June 30, 2020

(Expressed in Canadian Dollars)

ETRUSCUS RESOURCES CORP.

Index to Condensed Interim Financial Statements

For the three-month period ended June 30, 2020

(Expressed in Canadian Dollars)

MANAGEMENT'S RESPONSIBILITY FOR UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND NOTICE OF NO AUDITOR REVIEW

The accompanying condensed interim financial statements of Etruscus Resources Corp. (the "Company") are the responsibility of management and have not been reviewed by the Company's auditors.

These condensed interim financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited condensed interim financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the financial position date. In the opinion of management, the condensed interim financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34, Interim Financial Reporting, as issued by the International Accounting Standards Board using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

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

The Board of Directors is responsible for reviewing and approving the condensed interim financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the condensed interim financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the condensed interim financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

ETRUSCUS RESOURCES CORP.

Condensed Interim Statements of Financial Position

As at June 30, 2020

(Expressed in Canadian Dollars)

(prepared by management)

	June 30, 2020 (unaudited)	*March 31, 2020 (audited)*
ASSETS		
Current assets		
Cash and cash equivalents	**$ 78,147**	**$ 45,961**
Receivables *(Note 3)*	**8,486**	**47,667**
BCMETC receivable (*Note 4*)	**270,908**	**270,908**
Retainers, deposits and prepaid expenses	**56,021**	**4,018**
Total current assets	**413,562**	**368,554**
Exploration and evaluation assets (*Note 4*)	**1,458,151**	**1,426,231**
Reclamation deposit	**20,000**	**20,000**
Property and Equipment *(Note 5)*	**46,470**	**52,067**
Total assets	**$ 1,938,183**	**$ 1,866,852**
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities *(Note 6)*	**$ 68,066**	**$ 67,918**
Due to related parties *(Note 8)*	**85,196**	**55,784**
Lease liability *(Note 6)*	**18,032**	**17,676**
Flow-through share premium liability *(Note 7(a)(ii)) and Note 11(b))*	**19,433**	**23,699**
Total current liabilities	**190,727**	**165,077**
Lease liability *(Note 6)*	**19,528**	**24,172**
Total liabilities	**210,255**	**189,249**
EQUITY		
Share capital *(Note 7)*	**2,709,877**	**2,404,152**
Equity reserves	**479,605**	**438,089**
Deficit	**(1,461,554)**	**(1,164,638)**
Total equity	**1,727,928**	**1,677,603**
Total liabilities and equity	**$ 1,938,183**	**$ 1,866,852**

Nature of Operations and Going Concern *(Note 1)*
Events After the Reporting Period (*Note 12*)

Approved and authorized on behalf of the Board on August 18, 2020.

Gordon Lam Director

Fiore Aliperti Director

The accompanying notes are an integral part of these condensed interim financial statements.

ETRUSCUS RESOURCES CORP.

Condensed Interim Statements of Operations and Comprehensive Loss

For the three-month period ended June 30, 2020

(Expressed in Canadian Dollars)

(unaudited – prepared by management)

	2020	*2019*
Operating Expenses:		
Advertising, marketing, promotion	**$ 173,586**	**$ 2,090**
Consulting fees (*Note 8*)	**50,438**	**62,000**
Depreciation (*Note 5*)	**5,597**	**1,064**
Office and general	**8,383**	**5,674**
Professional fees	**316**	**-**
Regulatory and transfer agent fees	**16,744**	**2,251**
Rent	**3,827**	**4,701**
Share-based compensation (*Note 7 - Stock options)*	**41,516**	**-**
Total operating expenses	**(300,407)**	**(77,780)**
Interest income	**-**	**6,580**
Amortization of discount *(Note 6)*	**(775)**	**-**
Other income from settlement of flow-through share premium liability *(Note 11(b))*	**4,266**	**-**
Loss and comprehensive loss for the period	**$ (296,916)**	**$ (71,200)**
Basic and diluted loss per common share	**$ (0.01)**	**$ (0.00)**
Weighted average number of common shares outstanding:		
Basic and diluted	**21,591,963**	**19,394,001**

The accompanying notes are an integral part of these condensed interim financial statements.

ETRUSCUS RESOURCES CORP.

Condensed Interim Statements of Changes in Equity

For the three-month period ended June 30, 2020

(Expressed in Canadian Dollars)

(unaudited – prepared by management)

	Share Capital				
	Number of Shares	*Amount*	*Equity Reserves*	*Deficit*	*Total*
Balance at March 31, 2019	**19,394,001**	**$ 1,947,612**	**$ 430,585**	**$ (809,121)**	**$ 1,569,076**
Loss for the period	-	-	-	(71,200)	(71,200)
Balance at June 30, 2019	**19,394,001**	**$ 1,947,612**	**$ 430,585**	**$ (809,121)**	**$ 1,569,076**
Shares issued for cash- private placement	1,834,500	486,590	-	-	486,590
Share issuance costs	-	(2,085)	-	-	(2,085)
Flow-through share premium liability	-	(27,965)	-	-	(27,965)
Share-based compensation	-	-	7,504		7,504
Loss for the period	-	-	-	(355,517)	(355,517)
Balance at March 31, 2020	**21,228,501**	**$ 2,404,152**	**$ 438,089**	**$ (1,164,638)**	**$ 1,677,603**
Shares issued for cash- private placement	1,225,000	306,250	-	-	306,250
Share issuance costs	-	(525)	-	-	(525)
Share-based compensation	-	-	41,516	-	41,516
Loss for the period	-	-	-	(296,916)	(296,916)
Balance at June 30, 2020	**22,453,501**	**$ 2,709,877**	**$ 479,605**	**$ (1,461,554)**	**$ 1,727,928**

The accompanying notes are an integral part of these condensed interim financial statements.

ETRUSCUS RESOURCES CORP.

Condensed Interim Statements of Cash Flows

For the three-month period ended June 30, 2020

(Expressed in Canadian Dollars)

(unaudited – prepared by management)

	2020	*2019*
Cash flows provided by (used in) operating activities		
Loss for the period	**$ (296,916)**	$ (71,200)
Add-back non-cash items:		
Depreciation	**5,597**	1,064
Share-based compensation	**41,516**	-
Amortization of lease liability discount	**775**	-
Other income from settlement of flow-through share premium liability	**(4,266)**	-
Changes in non-cash working capital items:		
Receivables	**39,181**	(7,559)
Retainers, deposits and prepaid expenses	**(52,003)**	652
Accounts payable and accrued liabilities	**(6,680)**	(6,891)
Due to related parties	**13,412**	(35,700)
Net cash used in operating activities	**(259,384)**	(119,634)
Cash flows used in investing activities		
Investment in exploration and evaluation assets	**(9,092)**	(157,754)
Purchase of property and equipment	**-**	(1,060)
Net cash used in investing activities	**(9,092)**	(158,814)
Cash flows provided (used in) financing activities		
Shares issued for cash	**306,250**	-
Share issuance costs	**(525)**	-
Lease payments	**(5,063)**	-
Net cash provided by financing activities	**300,662**	-
Change in cash and cash equivalents during the period	**32,186**	(278,448)
Cash and cash equivalents, beginning of period	**45,961**	1,276,494
Cash and cash equivalents, end of period	**$ 78,147**	$ 998,046

Cash and cash equivalents consist of:		
Cash	**$ 78,147**	$ 98,046
Guaranteed investment certificates	**-**	900,000
Total	**$ 78,147**	$ 998,046

Supplemental Disclosure with Respect to Cash Flows *(Note 11)*

The accompanying notes are an integral part of these condensed interim financial statements.

1. NATURE OF OPERATIONS AND GOING CONCERN

Etruscus Resources Corp. ("the Company") was incorporated under the Business Corporations Act (British Columbia) on July 1, 2017. The Company's registered office is located at Suite #1400 - 1125 Howe St., Vancouver, British Columbia, V6Z 2K8, and its operating office is located at Suite #604 - 850 West Hastings St., Vancouver, British Columbia V6C 1E1. The Company's common shares were listed for trading on the Canadian Securities Exchange ("CSE") on January 15, 2019 (the "Listing Date") under the symbol "ETR", and was listed on the Frankfurt stock exchange on May 19, 2020 under the symbol "ERR".

The Company is engaged in the exploration of mineral properties and has not yet determined whether any of its properties contain economically recoverable reserves. To date, the Company has not earned any operating revenues and is in the exploration stage. The mining exploration business involves a high degree of risk. The recoverability of the amounts expended on mineral interests by the Company is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the exploration and development of its mineral properties and upon future profitable production or proceeds from disposition of its mineral interests.

These condensed interim financial statements have been prepared on the basis that the Company will continue as a going concern which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of operations. As an exploration stage company, at June 30, 2020 the Company has incurred an accumulated deficit since its inception of $1,461,554 (March 31, 2020 - $1,164,638). The ability of the Company to continue as a going concern depends upon its ability to raise adequate financing and to ultimately develop profitable operations. These factors indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

Since incorporation, the Company has raised equity financing from investors to provide for its early stage exploration and working capital needs. The Company expects to undertake additional fundraising in 2020, likely through private placements, but may also consider convertible debentures, third party earn-ins or joint venture arrangements to ensure the continuation of Company's exploration activities. To the extent future financing is not available, future working capital commitments may not be satisfied and future exploration programs would face curtailment and could result in a loss of property ownership or earning opportunities for the Company.

There can be no assurance that the Company will be able to raise the funds necessary to continue future operations through 2020. Should the Company be unable to realize its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the statements of financial position. These condensed interim financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

On March 11, 2020, the World Health Organization declared the coronavirus COVID-19 a global pandemic. This contagious disease outbreak has continued to spread resulting in adverse public health developments. It has adversely affected global workforces, economies, and financial markets, triggering an economic downturn. It is not possible at this time for the Company to predict the duration or magnitude of the adverse results of the outbreak nor its effects on the Company's business or operations. However, joint efforts between the Company and its stakeholders has enabled the 2020 summer exploration season to start, following provincial health guidelines. As at the date of approval of these financial statements, Company crews have mobilized to the Company's properties and are beginning their work programs.

The Company operates in a single jurisdiction with a single business activity of exploration and, accordingly, segmented information is not presented.

2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Company have been applied consistently to all periods presented in these condensed interim financial statements.

Basis of presentation

These condensed interim financial statements have 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"), and are presented in Canadian dollars which is the financial currency of the Company.

These condensed interim financial statements have been prepared on a historical cost basis, except for certain financial instruments which are classified as fair value through profit or loss. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

These condensed interim financial statements should be read in conjunction with the Company's annual financial statements and notes thereto for the year ended March 31, 2020. These condensed interim financial statements do not include all disclosures required in annual financial statements but rather they follow recommendations for condensed interim financial statements in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34") as issued by the International Accounting Standards Board ("IASB"). These condensed interim financial statements follow the same accounting policies and methods of their application as those followed in the March 31, 2020 annual financial statements.

3. RECEIVABLES

	June 30, 2020	*March 31, 2020*
Recoverable sales taxes	$ 8,486	$ 47,667
Total receivables	$ 8,486	$ 47,667

(Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS – Mineral Properties

	Rock & Roll Property	*Sugar Property*	*Total*
Balance, March 31, 2019	$ 301,789	$ -	$ 301,789
Additions:			
Acquisition costs	19,383	9,566	28,949
Accommodation and camp costs	189,598	2,968	192,566
Assays and laboratory analysis	50,711	1,588	52,299
Community relations	44,720	-	44,720
Drilling	471,522	-	471,522
Field expenses	14,920	-	14,920
Geological and geophysical consulting	184,417	6,725	191,142
Helicopters and aircraft support	382,406	4,967	387,373
Licenses, claim fees and permits	11,859	-	11,859
Less:			
BCMETC*	(267,658)	(3,250)	(270,908)
Balance, March 31, 2020	$ 1,403,667	$ 22,564	$ 1,426,231
Additions:			
Geological and geophysical consulting	31,500	-	31,500
Licenses, claim fees and permits	420	-	420
Balance, June 30, 2020	$ 1,435,587	$ 22,564	$1,458,151

* BC Mineral Exploration Tax Credit

Rock & Roll Property, Liard Mining Division, Northwest British Columbia, Canada

The Rock & Roll Property (the "Property") consists of thirty-nine (39) contiguous mineral claims totaling 21,955 hectares ("Ha") situated in the Liard Mining Division of British Columbia, in the Iskut River Valley of the Coast Mountains in northwestern British Columbia.

Under an agreement dated March 1, 2018 with Equity Exploration Consultants Ltd. ("Equity"), the Company acquired 14 contiguous claims, known as the Rock & Roll Property, totaling 4,723 Ha for $50,000 cash (paid) and 800,000 common shares of the Company at a value of $0.10 per share (issued), for a total initial acquisition cost of $130,000. The Property is subject to a 2% net smelter return ("NSR") royalty, held by a group of six parties (the "Royalty Holders"). The Company received an option to purchase one-half of the 2% NSR (the "NSR Buyout Option") for a future payment of $2,000,000 to the Royalty Holders within 30 days of the commencement of commercial production or December 31, 2030, whichever comes earlier. The NSR Buyout Option was granted to the Company by the issuance of 300,000 shares to the Royalty Holders immediately after the Listing Date, issued at a fair value of $0.25 per share for a total fair value of $75,000, capitalized to exploration and evaluation assets.

4. EXPLORATION AND EVALUATION ASSETS – Mineral Properties (continued)

Rock & Roll Property, Liard Mining Division, Northwest British Columbia, Canada (continued)

Following the acquisition of the initial claims purchased from Equity, the Company staked 19 mineral claims contiguous to the Property, totaling 9,503 Ha at a cost of $16,630 during the year ended March 31, 2019 and staked an additional 6 contiguous claims totaling 7,730 Ha at a cost of $19,383 during the year ended March 31, 2020.

Equity has notified the Company that there may be unregistered royalties on the Property in favour of Prime Equities International Corporation. To the Company's best information and belief, such royalties (i) are not evidenced by any completed legal instrument and (ii) have not been the subject of any notice or claim to Equity asserting such royalties. The Company has agreed to indemnify Equity against all costs, charges, and expenses, including any amount paid to settle a threatened or an actual action or to satisfy a judgment, reasonably incurred by Equity in the event that such possible royalties are validated as existing legal obligations binding on the Property.

Sugar Property - Liard Mining Division, Northwest British Columbia, Canada

During the year ended March 31, 2020, the Company staked 11 contiguous mineral claims totaling 5,181 Ha at a cost of $9,566. The group of claims is known as the Sugar Property ("Sugar"), located approximately 7 km northwest of the Company's Rock & Roll Property and 25 km southwest of the Galore Creek deposit. No drilling has ever been done on Sugar.

Title to mineral properties 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 conveyance history characteristic of many mineral properties. The Company has investigated title to its mineral properties, and, to the best of its knowledge, titles are in good standing.

(Expressed in Canadian Dollars)

5. PROPERTY AND EQUIPMENT

	Right-of-use assets	*Computers and software*	*Furniture and fixtures*	Total
Cost:				
Balance, March 31, 2019	$ -	$ 3,878	$ 7,349	$ 11,227
Additions	-	1,060		1,060
Balance, June 30, 2019	-	4,938	7,349	12,287
Additions	60,827	-	1,589	62,416
Balance, March 31, 2020 and June 30, 2020	$ 60,827	$ 4,938	$ 8,938	$ 74,703
Accumulated depreciation:				
Balance, March 31, 2019	$ -	$ 1,392	$ 1,286	$ 2,678
Depreciation	-	513	551	1,064
Balance, June 30, 2019	-	1,905	1,837	3,742
Depreciation	14,858	2,037	1,999	18,894
Balance, March 31, 2020	14,858	3,942	3,836	22,636
Depreciation	5,077	137	383	5,597
Balance, June 30, 2020	$ 19,935	$ 4,079	$ 4,219	$ 28,233
Net book value - March 31, 2020	$ 45,969	$ 996	$ 5,102	$ 52,067
Net book value – June 30, 2020	**$ 40,892**	**$ 859**	**$ 4,719**	**$ 46,470**

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES AND LEASE LIABILITY

Accounts payable and accrued liabilities for the Company are comprised as follows:

	June 30, 2020	*March 31, 2020*
Accounts payable	$ 63,066	$ 52,918
Accrued liabilities	5,000	15,000
	$ 68,066	$ 67,918

(Expressed in Canadian Dollars)

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES AND LEASE LIABILITY (continued)

Lease liability:

On July 1, 2019, the Company entered into a premises sublease for a three-year period, with terms following those of the head lease. The lessor is Metallis Resources Inc. ("MTS"), a public company related by two common directors and a common officer. The sublease is for ½ of the space leased by MTS for fixed monthly lease payments of $1,688 per month. The sublease falls under the scope of IFRS 16. Accordingly, the lease liability was measured at the present value of the remaining lease payments, discounted at the Company's incremental borrowing rate of 8%, the same discount rate as that used by MTS for its head lease accounting. At the inception of the sublease, the Company recognized on the statement of financial position a lease liability of $54,210 and a corresponding ROU asset of the same amount. Leasehold improvement costs of $6,617 were also recorded as ROU assets.

The following tables summarize the calculation of lease liability recognized in the financial statements:

Lease liability

Operating lease commitment as at July 1, 2019	$ 60,750
Discount using incremental borrowing rate	(6,540)
Lease liability recognized as at July 1, 2019	54,210
Lease payments	(15,188)
Lease interest	2,826
Balance as at March 31, 2020	41,848
Lease payments	(5,063)
Lease interest /amortization of discount	775
Balance as at June 30, 2020	$ 37,560

Current portion	$ 18,032
Long-term portion	19,528
Balance as at June 30, 2020	$ 37,560

At June 30, 2020, future payments required under the Company's office lease are as follows:

Year ended March 31, 2021	$ 15,187
Year ended March 31, 2022	20,250
Year ended March 31, 2023	5,063
Total	$ 40,500

7. SHARE CAPITAL

Authorized: Unlimited number of common shares, without par value.

Issued: 22,453,501 common shares (March 31, 2020 – 21,228,501 common shares), of which 6,000,000 shares are held in escrow as at June 30, 2020 and continue to be released each January 15 and July 15 in tranches of 1,500,000, ending January 15, 2022.

7. SHARE CAPITAL (continued)

Transactions for the period ended June 30, 2020:

On June 2, 2020, the Company completed a non-brokered private placement for gross proceeds of $306,250 by the issuance of 1,225,000 units at a price of $0.25 per unit, with each unit consisting of one common share and one common share purchase warrant with an exercise price of $0.40 per share for a two-year period. Total finders' fees of $525 were incurred. No residual value was assigned to the warrant component of the private placement.

Transactions for the year ended March 31, 2020:

a) On December 27, 2019, the Company completed a private placement of 1,834,500 units, raising gross proceeds of $486,590, as follows:

   i) The Company issued 1,435,000 units at a price of $0.25 per unit, raising $358,750. Each unit consists of one common share and ½ of one non-transferrable share purchase warrant with each full warrant exercisable at a price of $0.40 per share for a two-year period. Total issuance costs of $1,500 were incurred; and

   ii) The Company also issued 399,500 flow-through units at a price of $0.32 per flow-through unit, raising $127,840. Each flow-through unit consists of one flow-through common share and ½ of one non-flow-through, non-transferrable share purchase warrant with each full warrant exercisable at a price of $0.50 per share for a two-year period. The Company recorded a flow-through premium liability of $27,965 as a deduction from share capital, being the difference between the amounts recognized in common shares and the amounts investors paid for the units. Total issuance costs of $585 were incurred.

   No residual value was assigned to the warrant component of the private placement.

b) On July 15, 2019 and again on January 15, 2020, 1,500,000 common shares were released from escrow.

Stock options:

The Company, at the time of incorporation, adopted a 10% Rolling Stock Option Plan ("SOP") under which the Company is authorized to grant stock options to executive officers and directors, employees and consultants. The exercise price of each stock option equals the market price of the Company's stock as calculated on the date of grant. The options vest upon grant, except for investor relations options which vest over a minimum of a one-year period, pursuant to regulation. The Company has not granted any investor relations options to date. The fair value of the option grants is determined and recorded on grant date pursuant to the Black-Scholes option pricing model as a credit to equity reserves.

During the period ended June 30, 2020, the Company granted 230,000 stock options to consultants, exercisable at $0.25 per share for a period of five years. The options vested upon grant. Share-based compensation of $41,516 was recorded.

During the year ended March 31, 2020, the Company granted 60,000 stock options to a consultant, exercisable at $0.25 per share for a period of five years. The options vested upon grant. Share-based compensation of $7,504 was recorded.

(Expressed in Canadian Dollars)

7. SHARE CAPITAL (continued)

Stock options: (continued)

During the periods ended June 30, 2020 and the year ended March 31, 2020, the Company recognized share-based compensation based on the following weighted average assumptions:

	Period ended June 30, 2020	Year ended March 31, 2020
Weighted average assumptions:		
Risk-free interest rate	0.32%	1.1%
Expected dividend yield	-	-
Expected option life (years)	5	5
Expected Stock price volatility	112.6%	89.5%
Weighted average share price at grant date	$ 0.25	$ 0.25
Weighted average fair value at grant date	$ 0.23	$ 0.25
Expected forfeiture rate	-	-

Schedule of changes in stock options:	Number of Stock options	Weighted average exercise price
Balance at March 31, 2019	1,885,000	$ 0.25
Options granted	60,000	0.25
Options terminated	(250,000)	(0.25)
Balance at March 31, 2020	1,695,000	$ 0.25
Options granted	230,000	0.25
Balance at June 30, 2020	1,925,000	$ 0.25

As at June 30, 2020, the following stock options are outstanding and exercisable:

Expiry Date	Number of Stock Options	Exercise Price ($)	Weighted average remaining contractual life (years)
January 15, 2024	1,250,000	0.25	3.55
January 21, 2024	335,000	0.25	3.56
March 15, 2024	50,000	0.28	3.71
February 27, 2025	60,000	0.25	4.67
May 25, 2025	230,000	0.25	4.90
Total outstanding options	1,925,000		3.75

(Expressed in Canadian Dollars)

7. SHARE CAPITAL (continued)

Warrants:

Through certain unit offerings that completed, the Company has issued warrants in addition to shares. Warrant transactions are summarized as follows:

Schedule of changes in share purchase warrants:	Number of warrants	Weighted average exercise price
Balance at March 31, 2019	2,697,000	$ 0.50
Warrants issued	917,250	0.50
Balance at March 31, 2020	3,614,250	0.50
Warrants issued	1,225,000	0.40
Warrants expired	(2,547,000)	0.50
Balance at June 30, 2020	2,292,250	$ 0.42

As at June 30, 2020, the following warrants are outstanding:

Expiry Date	Number of Warrants outstanding	Exercise Price ($)	Weighted average remaining contractual life (years)
December 19, 2020	150,000	0.50	0.47
December 19, 2021	37,500	0.40	1.47
December 27, 2021	680,000	0.40	1.49
December 27, 2021	199,750	0.50	1.49
June 1, 2022	1,225,000	0.40	1.92
Total	2,292,250		1.65

8. RELATED PARTY TRANSACTIONS AND BALANCES

All related party transactions are recorded at the exchange amount which is the amount agreed to by the Company and the related party.

The following related parties for the periods presented include directors and key management personnel, including those entities in which such individuals may hold positions that result in them having control or significant influence over the financial or operation policies of these entities:

a) Hatch 8 Consulting is a company controlled by the current Chief Executive Officer and director of the Company, and provides consulting services to the Company;

b) Lever Capital Corp. is a company owned by the Chief Financial Officer and provides consulting services to the Company;

(Expressed in Canadian Dollars)

8. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

c) The Company's Corporate Secretary provided general administrative services, bookkeeping and corporate secretarial services to the Company up to September 25, 2019;

d) Avanti Consulting Inc. is a company controlled by a director of the Company who acts as Executive Chairman of the Board, and provides consulting services to the Company;

e) DRW Geological Consultants Ltd. is a company that is controlled by the Company's Vice-President of Exploration and which provides the Company with geological consulting services, the amounts of which are capitalized under exploration and evaluation assets; and

f) Metallis Resources Inc. "MTS" is a company that has two directors and an officer in common with the Company.

Amounts owing to related parties of $85,196 (March 31, 2020 - $55,784) is comprised of amounts owing to management and amounts owing to a related public company as follows:

i) The aggregate value of key management compensation and outstanding balances relating to the above noted related parties are as follows:

		Transactions for the period ended June 30, 2020	Transactions for the year ended March 31, 2020	**Balance payable as at June 30, 2020**	Balance payable as at March 31, 2020
Short-term benefits:					
Hatch 8 Consulting	**(a)**	**$ 22,500**	$ 90,000	**$ 23,625**	**$ 10,750**
Lever Capital Corp.	**(b)**	**7,500**	30,000	**15,750**	**15,750**
Sameen Oates	**(c)**	**-**	15,000	**-**	**-**
Avanti Consulting Inc.	**(d)**	**7,500**	30,000	**15,750**	**15,750**
DRW Geological Consultants Ltd.	**(e)**	**12,000**	48,000	**16,800**	**4,200**
Total		**$ 49,500**	$ 213,000	**$ 71,925**	**$ 46,450**

iii) During the period ended June 30, 2020, the company entered into transactions with MTS as follows:

	Due to MTS as at March 31, 2020	**Transactions during the period ended June 30, 2020**	Amounts repaid	**Due to MTS as at June 30, 2020**
Rent	$ 8,890	**$ 8,890**	$ (8,890)	**$ 8,890**
Office expenses	-	**3,717**	-	**3,717**
GST	444	**664**	(444)	**444**
Total	$ 9,334	**$ 13,271**	$ (9,334)	**$ 13,271**

9. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

Financial instruments consist of financial assets and financial liabilities and are accounted for under *IFRS 9 – Financial Instruments*. Financial instruments are initially recognized at fair value along with, in the case of a financial asset or liability not at fair value through profit and loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or liability. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit and loss.

The Company classifies its financial assets and financial liabilities in the following measurement categories:

i) those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
ii) those to be measured at amortized cost.

The classification of financial assets depends on the business model for managing the financial assets and the contractual terms of the cash flows. Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding, are generally measured at amortized cost at the end of subsequent accounting periods. All other financial assets are measured at their fair values at the end of subsequent accounting periods, with any changes taken through profit and loss or other comprehensive income.

Financial liabilities are classified as those to be measured at amortized cost unless they are designated as those to be measured subsequently at fair value through profit or loss (irrevocable election at the time of recognition). Any fair value changes due to credit risk for liabilities designated at fair value through profit and loss are recorded in other comprehensive income.

The Company has implemented the following classifications for financial instruments:

- The Company’s financial assets are cash and cash equivalents, receivables, and reclamation deposit. Cash and cash equivalents and reclamation deposit are classified as fair value through profit or loss and any changes to fair value subsequent to initial recognition are recorded in profit or loss for the period in which they occur. Receivables are classified as amortized cost. The fair values of these financial instruments approximate their carrying values due to their short-term maturities.

- Financial liabilities comprise accounts payable and amounts due to related parties which is classified as other financial liabilities and is measured at amortized cost using the effective interest rate method. Interest expense is recorded in profit or loss, as applicable.

The Company reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or CGU) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Fair values of financial instruments are classified in a fair value hierarchy based on the inputs used to determine fair values, as follows:

The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data, with fair value measurement derived from valuation techniques.

The fair values of cash and cash equivalents are measured at fair value on a recurring basis based on Level 1 inputs of the fair value hierarchy and reclamation deposit is measured at fair value based on Level 2 inputs.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk arises from the potential that one or more counterparties fail to meet their obligations. The Company is normally exposed to credit risk through its cash and cash equivalents and receivables. The Company manages credit risk associated with its cash and cash equivalents by using reputable financial institutions, from which management believes the risk to be remote. Receivables have historically consisted primarily of Canadian GST receivable and accrued interest on short-term money market investments, and management believes the collectability of these amounts is assured.

Liquidity risk

Liquidity risk is related to the ability of the Company to meet its obligations as they come due. The Company has historically relied on equity financings to satisfy its capital requirements and will continue to depend upon equity capital as required and may also enter into earn-in arrangements or the sale of certain property interests. There can be no assurance the Company will be able to obtain its future financings on acceptable terms. The ability of the Company to continue on this course will depend, in part, on the prevailing market conditions and the market interest in financing the Company's mineral property exploration programs, and the scope of such programs.

The Company's basic approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at June 30, 2020 the Company had cash and cash equivalents of $78,147 (March 31, 2020 -$45,961) to settle current liabilities of $190,727 (March 31, 2020 - $165,077). However, the Company's net working capital at June 30, 2020 is $222,835 which includes the accrual of the 2019 BC METC tax credit receivable of $270,908, expected to be received later in calendar year 2020. To improve short-term liquidity, subsequent to June 30, 2020, the Company announced a proposed private placement of $1,000,000 which was then increased to $1,525,000, and closed the first tranche of $1,219,900.

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Interest rate risk

The Company is not exposed to material risk in the event of interest rate fluctuations. The Company has no long-term debt other than an office lease and has not entered into any interest rate swaps or other financial arrangements to mitigate the exposure to interest rate fluctuations, and current interest rates remain historically low.

Market risk

The Company is subject to limited market risk as the price of its short-term money market investments fluctuates due to market forces. The Company has no control over their fluctuating prices and does not hedge its investments, but the fluctuations are limited in scope and volatility. As at June 30 and March 31, 2020, the Company held no short-term money market investments.

Foreign currency risk

The Company's functional currency is the Canadian dollar and an immaterial amount of transactions are in other currencies. Management believes the foreign exchange risk derived from currency conversions is not significant and therefore does not hedge its foreign exchange risk.

10. CAPITAL MANAGEMENT

Capital is comprised of shareholders' equity, and the Company is not subject to externally imposed capital requirements. The Company's objectives when managing capital are to fund critical exploration work, meet its on-going liabilities, continue as a going concern, maintain creditworthiness and to ultimately maximize returns for shareholders over the long term. Meeting current and future liabilities and obligations as a non-revenue early stage explorer requires management to plan for its current and future cash needs while continually monitoring the Company's internal, exploration and financing risks. The Company endeavors to maintain capital balances over the periods to alleviate unexpected cash flow shortfalls and remains confident that sufficient financing will be raised to ensure working capital needs are met and future exploration funds are available for future exploration. Management also endeavors where possible to minimize shareholder dilution through executing future financings at higher equity prices than prior financings, subject to market conditions.

The capital for operations and property acquisition and exploration has historically come from, and is expected to continue to come from, the issuance of common shares. The proceeds raised from the Company's financings to date have facilitated the acquisition of a property of merit, funded the costs of going public, covered overheads and the first year of exploration and drilling.

There were no changes in the Company's capital management objectives during the period ended June 30, 2020.

11. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

The significant non-cash investing and financing transactions during the period ended June 30, 2020 were as follows:

a) As at June 30, 2020, $46,828 capitalized to exploration and evaluation assets is included in accounts payable and accrued liabilities and $16,000 capitalized to exploration and evaluation assets is included in due to related parties;

b) The Company incurred exploration costs of $31,920 during the period, reducing the flow-through share premium liability by $4,266, recorded as other income on settlement of flow-through share premium liability.

11. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS (continued)

The significant non-cash investing and financing transactions during the year ended March 31, 2020 are as follows:

c) As at March 31, 2020, $40,000 capitalized to exploration and evaluation assets is included in accounts payable and accrued liabilities and $7,250 capitalized to exploration and evaluation assets is included in due to related parties;

d) As at March 31, 2020, BCMETC receivable of $270,908 was accrued and is included in exploration and evaluation assets; and

e) Property and equipment additions of $60,827 were recorded as ROU assets concurrently with equivalent lease obligations recognized on the statements of financial position as at July 1, 2019 following the application of IFRS 16 in relation to a new three-year office sublease dated the same day. As at March 31, 2020, those equipment additions pursuant to IFRS 16 had a net book value of $45,969 and total lease obligations were $41,848.

12. EVENTS AFTER THE REPORTING PERIOD

On July 8, 2020, the Company announced a proposed non-brokered private placement of up to $1,000,000 consisting of up to 1.3 million flow-through units at a price of $.50 per unit for proceeds of up to $650,000, and up to 1 million non-flow-through units at a price of $0.35 per unit for proceeds of up to $350,000. The funds will be used for both exploration and general working capital. Each flow-through unit consists of one (1) flow-through common share and one-half (½) of one non-flow-through share purchase warrant with each whole warrant entitling the holder to purchase one (1) additional common share at a price of $0.65 per share for a 2-year period. Each non-flow-through unit consists of one (1) common share and one-half (½) of one share purchase warrant with each whole warrant entitling the holder to purchase one (1) additional common share at a price of $0.50 per share for a 2-year period.

On July 27, 2020, the price of the flow-through units was reduced to $0.45 per unit, with each flow-through unit consisting of one (1) flow-through common share and one-half (½) non-flow-through, non-transferable share purchase warrant with each full warrant exercisable at $0.60 per share for a period of 2 years. Up to 1,444,444 flow-through units will be offered for proceeds of up to $650,000.

On July 29, 2020, a consultant exercised 40,000 stock options at $0.25 per share for proceeds of $10,000.

On August 5, 2020, the Company further changed the terms of the private placement, increasing the non-flow-through portion to a total of $875,000 by offering up to 2.5 million non-flow-through units, extending the warrant expiry date to 3 years for all units issued under the private placement, and increasing the warrant component of all warrants issued under the private placement to one (1) warrant per unit from one-half (½) warrant per unit.

On August 17, 2020, the Company announced the closing of the first tranche of the private placement totaling $1,219,900, by issuing 3,130,000 non-flow-through units for proceeds of $1,095,500 and 276,444 flow-through units for proceeds of $124,400. Total finders' fees of $19,163 were paid and 53,861 finders' warrants were issued entitling the holders to purchase an equal number of common shares at a price of $0.45 per share for a 3-year period.

Appendix B - Management's Discussion and Analysis

ETRUSCUS RESOURCES CORP.
Management's Discussion and Analysis
Three months ended June 30, 2020

Introduction

The following management's discussion and analysis ("MD&A") is dated August 18, 2020 and provides information on the activities of the Etruscus Resources Corp. ("Etruscus" or "the Company") as at and for the three-month period ended June 30, 2020, with subsequent events up to the date of this MD&A, and should be read in conjunction with the Company's financial statements for the three-month period ended June 30, 2020 and the year ended March 31, 2020 and Notes to the financial statements thereto. The referenced financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts are expressed in Canadian dollars unless otherwise indicated. In the opinion of management, all adjustments considered necessary for a fair presentation have been included. The results presented for the period ended June 30, 2020 are not necessarily indicative of the results that may be expected for any future period.

Technical aspects of this MD&A have been reviewed and approved by the Company's Vice-President of Exploration, Dr. David Webb, P.Geo., P. Eng., designated as a Qualified Person under National Instrument ("NI") 43-101. This MD&A was written to comply with the requirements of NI 51-102 - Continuous Disclosure Obligations and includes material events and transactions up to the date of this report.

The Company was incorporated on July 1, 2017 and its common shares were listed for trading on the CSE Exchange ("CSE") under the trading symbol "ETR" on January 15, 2019 (the "Listing Date"). The shares were also listed for trading on the Frankfurt Stock Exchange on May 19, 2020, under the trading symbol "ERR". Further information about the Company and its operations can be obtained from the Company's office located at Suite #604 - 850 West Hastings St., Vancouver, BC, V6C 1E1, and from the internet at www.sedar.com (the "Canadian System for Electronic Document Analysis and Retrieval").

Comment on COVID-19:

On March 11, 2020, the World Health Organization declared the coronavirus COVID-19 a global pandemic. This contagious disease outbreak has continued to spread resulting in adverse public health developments. It has adversely affected global workforces, economies, and financial markets, triggering an economic downturn. It is not possible at this time for the Company to predict the duration or magnitude of the adverse results of the outbreak nor its effects on the Company's business or operations.

The Company takes the threat very seriously and its first priority is the health and safety of its workers. We are following the guidelines, recommendations, and required protocols as they are issued by local health authorities and the provincial and federal governments in Canada. The Company has worked diligently with its suppliers, subcontractors and other stakeholders and has developed health and safety protocols which follow provincial requirements as they relate to COVID-19. The Company developed its COVID-19 Operating Safety Plan for its office, outlining health and social distancing guidelines. An operating safety plan was also developed for field operations, made possible only after extensive collaborative efforts amongst key exploration subcontractors, to ensure those field operations follow both the public health guidelines and local First Nations directives and policies. Stakeholders must deal with operating capacity and availability constraints, process and activity curtailments and possible operating suspensions. The Company continues to monitor the situation, adjusting our policies and procedures as necessary.

Cautionary Note Regarding Forward-Looking Information

Readers are cautioned that management's discussion and analysis contains "forward-looking statements". Forward-looking statements reflect the Company's current views with respect to future events, are based on information currently available to the Company and are subject to certain risks, uncertainties, and assumptions. Forward-looking statements include, but are not limited to, statements with respect to the success of mining exploration work, title disputes or claims, environmental risks, unanticipated reclamation expenses, the estimation of mineral reserves and resources and capital expenditures. In certain cases, forward-looking statements can be identified by the use of words such as "intends", "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved".

Forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, risks related to international operations, fluctuation of currency exchange rates, actual results of current exploration activities, changes in project parameters as plans are refined over time, the future price of gold, silver and other precious or base metals, possible variations in mineral resources, grade or recovery rates, accidents, labour disputes and other risks of the mining industry, delays in obtaining, or inability to obtain required governmental approvals or financing, as well as other risks discussed under "Risk Factors" and "Financial Risks". Although the Company has attempted to identify material factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. The Company has made numerous assumptions about the forward-looking statements and information contained herein, including among other things, assumptions about the Company's anticipated costs and expenditures and its ability to achieve its goals.

Even though the Company's management believes that the assumptions made, and the expectations represented by such statements or information are reasonable, there can be no assurance that the forward-looking statements or information will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements or information. Forward-looking statements contained in this MD&A are made as of the date of this report. Accordingly, readers should not place undue reliance on forward-looking statements. The Company will update forward-looking statements in its management discussion and analysis as required by applicable law.

Description of Business

The Company is a mineral exploration company without any operating revenues. Its principal project is in the Liard Mining Division in northwestern British Columbia where it has a 100% interest in the Rock & Roll Property (the "Property"), a group of 39 contiguous mineral claims totaling 21,955 hectares ("Ha"). Previous drilling on the Property by other operators primarily between 1989-1991 totaled 103 holes, outlining a volcanogenic massive sulphide "VMS" deposit, known as the Black Dog Deposit. The Company's primary exploration goal is to build upon its existing resource by discovering additional bigger, richer zones using new geological understandings, additional historical data sources and new analytical, exploration and drilling techniques. The second priority is to expand the scope, depth and grade of the Deposit through additional testing and drilling.

On July 27, 2020, our crews began field operations, leading towards a drilling campaign later in the season. Company management, administration, exploration team, investor relations and corporate communications had earlier transitioned to home-based work at the onset of the COVID-19 pandemic until the office was reopened on May 25, 2020. These measures allowed the continuation of the Company’s operations through this period of uncertainty.

Mineral exploration involves a high degree of risk. The recoverability of the amounts expended on exploration by the Company is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete its exploration programs, the development of its mineral properties and the future profitable production of any reserves or the proceeds from the disposition of its properties. The Company has not yet determined whether the Property contains economically recoverable reserves.

Rock & Roll Property Highlights

The Property is located in the resource-rich Golden Triangle region of northwestern British Columbia, 150 km north of Stewart’s Deep-Sea Port and hosts the polymetallic Black Dog Deposit, a known VMS deposit, geologically similar to the VMS deposits at the Eskay Creek Mine and Granduc Mine. Historic drilling on the Property resulted in the discovery of the massive sulphide “Black Dog Horizon” as well as the “SRV Zone”. Black Dog is a poly-metallic VMS deposit primarily based on silver, zinc and gold values (refer to Table 1 below) which are worldwide saleable commodities subject to normal price variations in the global market. Numerous geochemical anomalies and geophysical conductors remain untested and potential for finding other massive sulphide lenses remains high as these types of deposits often form in clusters. The Deposit is located at low elevations (150 m above sea level) close to infrastructure, 10 km from the Bronson Creek Airstrip, 27 km from an all-weather road and 33 km from a 195 MW power line.

In December 2018, a National Instrument 43-101 compliant technical report (the “Technical Report”) was filed on SEDAR containing the following pit constrained Inferred Resource estimate prepared by Dr. A. Armitage, an independent Qualified Person as defined by NI 43-101:

Table 1: Rock & Roll Inferred Mineral Resource Estimate, August 3rd, 2018
(Cut-off Grade 0.5 g/t AuEq)

Resource		**Grade**					**AuEq** (g/t)
Inferred	2,015,000 Tonnes	**Au** (g/t)	**Ag** (g/t)	**Cu** (%)	**Pb** (%)	**Zn** (%)	
		0.71	87.1	0.23	0.23	0.98	2.63
	Contained Metal	46,000 Ozs	5,643,000 Ozs	10,246,000 Lbs	10,180,000 Lbs	43,503,000 Lbs	170,000 Ozs

**Mineral resources are reported at a base case cut-off grade of 0.5 g/t gold equivalent (AuEq) considering metal prices in USD of $1,250.00/oz Au, $17.00/oz Ag, $3.00/lb Cu, $1.00/lb Pb and $1.20/lb Zn, and assuming metal recoveries of 95% for zinc, 80% for lead, 90% for copper, 85% for silver and 80% for gold or 85% for AuEq. Metallurgical recoveries will be adjusted with future metallurgical testing. AuEq = (Au g/t * 0.8) + (Ag g/t * 0.012) + (Cu% * 1.48) + (Pb% * 0.44) + (Zn% * 0.63).*

The reporting of the updated Mineral Resource Estimate complies with all current disclosure requirements for mineral resources set out in the NI 43-101 Standards of Disclosure for Mineral Projects. The classification of the revised mineral resource is consistent with current CIM Definition Standards - For Mineral Resources and Mineral Reserves (2014). Using a cut-off grade of 0.50 g/t AuEq, Armitage estimates that the Rock & Roll deposit contains 2.02 million tonnes of 0.71 g/t Au, 87.1 g/t Ag, 0.23% Cu, 0.23% Pb, and 0.98% Zn for a contained total of 46,000 oz gold, 5,643,000 oz silver, 10.2 million pounds ("Mlb") copper, 10.2 Mlb lead and 43.5 Mlb zinc. Mineral resources, which are not mineral reserves, do not have demonstrated economic viability.

Corporate Outlook

The Property's location in BC's Golden Triangle offers an exciting, historic region for exploration and mining development. According to the 2018 BC Mineral and Coal Exploration Survey (the most recently released survey), completed jointly by the Government of British Columbia, the Association for Mineral Exploration, and Ernst and Young LLP, $165 million was spent on mineral exploration in the Golden Triangle in 2018, representing 50% of all exploration expenditures in B.C. Management views the following as key factors contributing to its outlook:

- Positive drilling results from the Company's first year of work on the Property showed opportunities to potentially expand the Black Dog Deposit and discover new zones of mineralization, beyond those outlined from historical drilling results on the Property;

- With a BC-based exploration property, accessibility is not a key issue during this period of global travel restrictions, and the Company is also able to utilize Canadian government incentives and programs, such as flow-through shares which provide certain exploration tax credits. This reduces accessibility and financing risks relative to foreign properties;

- Precious metals prices are rising, with gold reaching a new USD record high in August 2020, and silver solidly moving well above its past five-year trading range of US$12-$20/ oz;

- Subsequent to June 30, 2020, the Company raised $1,219,900 in the first tranche of a private placement first announced on July 8, 2020 and thereafter amended on July 27 and August 5, 2020; and

- Many of the initial post-public shareholder positions continue to be held, reflecting the shareholders' willingness to allow the Company the time needed to work towards meeting longer-term objectives.

For all these reasons, management remains optimistic about the Company's foreseeable future.

The only extraordinary circumstances expected to have an effect on the Company's operations outside the normal risks inherent in the global economy are those caused by the COVID-19 pandemic. While global growth before the pandemic was slow and continuous, the recent crisis has resulted in global economic contractions, with market fears driving stocks on wild volatility swings. However, the CSE index is up 30% since January 1, 2020 to the date of this report, and more importantly is up 141% from the lowest point during the pandemic crisis on March 18, 2020. Market trading volumes have increased and exploration financings in the sector have also increased.

Management believes that in 2020 it will be able to raise the financing needed to meet its exploration objectives and overhead requirements through the ensuing year. In the past 9 months, the Company has utilized third-party Canadian and European market awareness campaigns in addition to its own social media channels on Instagram, Facebook and Twitter. Management believes these advertising campaigns will increase overall market awareness and improve market liquidity especially as the Company meets its exploration target milestones.

The Rock & Roll Property

The Property's 39 wholly-owned contiguous mineral claims total 21,955 Ha, centered at 50º 43' north latitude and 131º 12' west longitude. The Property is accessed from the AltaGas Hydroelectric Facility road located 25 km up the Iskut River Valley northwest of Stewart, BC. Access is by helicopter, as no roads yet exist on the Property. However, a road being planned by third parties will extend to the Bronson Mining Camp, just 7 km from the Property. The area has seen intermittent exploration going back several decades. Most of the prior work on the Property was done during 1988 - 1991 including 103 drill holes, which led to the discovery of a polymetallic volcanogenic massive sulphide ("VMS") deposit primarily based on silver, zinc and gold values. It became known as the Black Dog Deposit, for which a current National Instrument 43-101 compliant resource estimate has been filed.

Costs incurred on the Property are capitalized under exploration and evaluation assets and as at June 30, 2020 total net costs of $1.7 million had been spent by Etruscus of which $1.5 million was exploration related, before expense recoveries and tax credits. At the date of this report, Company crews are at the Property executing Phase 1 of this year's summer exploration program.

Acquisition history

The initial 14 claims acquired from Equity are subject to a 2% net smelter return ("NSR") royalty, held by a group of 6 parties (the "Royalty Holders"). The Company received an option to purchase one-half of the 2% NSR ("NSR Buyout Option") whereby a future payment of $2,000,000 would be made to the Royalty Holders within 30 days of the commencement of commercial production or December 31, 2030, whichever comes earlier. The NSR Buyout Option was granted by the issuance of 300,000 common shares (issued at a fair value of $75,000) to the group of Royalty Holders within three days of the listing of the Company's shares for trading on the CSE Exchange.

In 2019, additional staking to the north and northwest of the initial group of claims brought the contiguous Property land package to 21,955 ha. This tripled the Rock and Roll land package and has increased the potential for a large-scale VMS system to be found on the property. The Property also remains highly prospective for a number of other common ore deposits found in the Golden Triangle such as porphyry deposits, shear hosted gold deposits and magmatic nickel sulfide deposits. This high, mountainous terrain has seen limited geological work and remains highly prospective due to the rapid glacial retreat of the Hoodoo and Twin Glaciers.

Three of the most recently staked claims were staked in the northwestern extension, located north of the Iskut River, due to their location within the favorable Stuhini Group Geology which hosts the Black Dog Deposit. This high, mountainous terrain has seen limited geological work but remains highly prospective due to the rapid glacial retreat of the Hoodoo and Twin Glaciers.

Property Geology

The Black Dog Deposit is a VMS deposit that displays similarities to other precious metal-rich deposits such as Eskay Creek, Greens Creek, and other deposits in the Cordillera. VMS deposits are syn-volcanic accumulations of sulphide minerals that occur in geological environments characterized by submarine volcanic and sedimentary rocks. The VMS deposits are commonly spatially related to syn-volcanic faults, paleotopographic depressions, rhyolite domes, caldera rims and sub-volcanic intrusions, suggesting a genetic link to volcanic processes (Lydon, 1990).

Specifically, the Property hosts an Ag-Au-Zn-Cu-Pb deposit, partially delineated by 103 historic drill holes totalling 13,155m, all by previous operators. The deposit comprises multiple massive sulphide lenses containing pyrrhotite, pyrite, chalcopyrite and sphalerite and has a surface projection of 600m by 150m. Mineralization is hosted by fine-grained carbonaceous sedimentary rocks representing a basin within a package of volcanic and sedimentary rocks that have been intruded by voluminous mafic to intermediate dykes. The Black Dog Zone fits in with a broad group of submarine, volcanic associated Ag-Au-Zn-Cu massive sulphide deposits. A secondary zone called the SRV Zone, outside of the NI 43-101 pit design, shows similar geology and mineralization to the Black Dog Zone. Age dating completed recently by the B.C. Geological Survey has designated the Black Dog mineralizing event to an approximate age of 210 million years, which is correlative with the historic Granduc mine located 78 km southeast (Mihalynuk, 2018).

Exploration – 2020

The Company launched its exploration season on July 27, 2020. The field team is aggressively following up prioritized targets with sampling, prospecting, and mapping. Currently, a VTEM© Survey (the “Survey”) is being executed across the majority of the Company’s mineral claim area, with the following objectives:

- To enhance conductivity data around the Black Dog Deposit and the recently discovered “Wall Target” to significantly expand depth and size potential of the Deposit;
- To refine geochemical and geophysical anomalies located at the Rob area and Skarn area that may represent other mineralizing systems near the Black Dog Deposit; and
- To cover 137 sq. km of previously untested, unexplored prospective terrain near receding glaciers on both the extended Rock & Roll claims and the Sugar claims.

Drilling will follow later in the season and in that regard planning is underway, utilizing multiple vectoring tools to target new sulphide horizons. Continued bark sampling in new areas as well as increased sampling over the top of the anomalous areas will help prioritize targets. This will be in conjunction with continued structural mapping and rock sampling to help guide the team along prospective horizons. Ongoing 3-dimensional structural interpretation is also being used to help add possible tonnage to the existing ore body.

Exploration – 2019 summary:

A 2019 drilling program was the culmination of a multi-phase exploration program in 2019, following the Technical Report’s suggestion that exploration should focus on the discovery of additional massive sulphide resources outside the currently defined resources of the Black Dog Zone. Metallurgical testing for the purpose of upgrading the existing Black Dog resource estimate to the Indicated Category was also recommended but not completed.

The 2019 drilling was a technical success as the Company expanded the mineralized system to a total length of 2.7 km, more than 4 times the original strike length. Additional geophysical targets within this extended mineralized horizon remain untested. These results continue to support the targeting of silver and gold-enriched VMS systems on the western flank of the Eskay Camp near the past-producing high-grade Snip gold mine.

Key highlights of the drilling program:

- Intersecting a sulphide mineralized horizon in a 1.75 km step-out to the northwest of the precious metal-enriched Black Dog system;
- Intercepting a mineralized horizon in a 400m step-out to the southeast;
- A lengthy intercept of rhyolites that are commonly related to VMS systems, including nearby Eskay Creek, was intersected in RR19-03; and
- Drill hole RR19-03 also demonstrated the conformable nature of the extensive carbonate terrain west of the Black Dog Deposit, opening this previously underexplored area to be tested for VMS mineralization.

Exploration – 2019 detail:

On August 16, 2019, the Phase III drilling campaign began. Following the Technical Report's recommendations, the exploration team put forward 13 prioritized drill collar locations across the southeastern portion of the property. Target priority was based primarily on geophysical data that was extracted from a 2009 Airborne EM-Mag survey completed by Pacific North West Capital Corp. These targets were further supported by bio-geochemical bark results as well as known geological structures to bolster each target's priority.

Two collar locations (SRV, Ziggy) were each drilled with 2 drill holes to test downdip and along strike extensions of the Black Dog Horizon through the SRV Zone. Both holes were located outside of the inferred resource and looked to extend the size of the deposit by 400m along strike and 100m down dip. The southern extent of the mineralization as demonstrated in RR19-04 and RR19-05 at the Ziggy target has returned multiple mineralized horizons representing folding, faulting, or primary depositional features. These newly identified horizons increase the potential for stacked lenses to be discovered at depth.

Drill hole RR19-03 at White Swan, located 1,800m southeast of the Black Dog Zone, was designed to test a strong electromagnetic conductor similar to the Black Dog Deposit. This target was further enhanced due to its position along strike from the Black Dog Horizon in favourable geology for hosting more VMS style lenses. The drill hole identified a thick, new rhyolite package in the footwall of the Black Dog stratigraphy that demonstrates striking similarities to the nearby Eskay Creek deposit. Significantly, the drill hole was collared in overlying carbonates that are mapped in a large area to the southeast of the Black Dog Deposit. The drill hole penetrated through conformable carbonates into the Black Dog sequence intersecting an important marker horizon seen previously in mineralized holes. The recognition of the conformable nature of the carbonate rocks sitting on top of the prospective Black Dog Horizon, as confirmed in a 2019 research paper published by the B.C. Geological Survey, means that favourable mineralized rocks may underly the terrain west of Black Dog at shallow levels. This implies that the various biogeochemical and geophysical anomalies in this terrain could be related to economically significant mineralization. This terrain to the southwest was previously discounted as a package of older, over-thrusted rocks and was therefore barely investigated in previous drill programs.

Another drill target (Angie), located on the north side of the Iskut River, was tested with 2 drill holes from a single pad location. The holes were designed to test another strong electromagnetic conductor coincident with a low magnetic response similar to the Black Dog Horizon. This conductor is also located along strike in favourable stratigraphy with supporting bio-geochemical anomalies. Drill hole RR19-07 was drilled 1.75 km northwest of the Black Dog deposit and tested a discrete conductive anomaly, intersecting 10 cm of massive, banded sulphides within a mixed sequence of carbonaceous argillites and volcanic rocks similar to the Black Dog Horizon. RR19-06 was drilled from the same collar location and hit blebby and stringer chalcopyrite, sphalerite and pyrrhotite that occupied weaknesses or fractures in intermediate volcanic rocks. The significant strike length of the mineralized horizon to the north provides a large package of newly prospective areas to test for other massive sulphide zones. The additional conductors within this Horizon remain untested.

The final hole drilled in the program was from the Roxanne site that represented a moderate electromagnetic conductor associated with favourable bio-geochemical (bark) anomalies. This hole encountered mainly silicified fine grained sediments that coarsened downhole. It is likely this hole was drilled into the footwall and therefore was stratigraphically below the Black Dog horizon although strong silicification would suggest the alteration system is still present here. This hole was helpful in guiding geologists further south to more prospective geology striking through Lost Lake.

In total, 2,622m were drilled in 8 different holes from 5 different site locations. Notable intercepts include 1.8m grading 0.04 grams per ton (“gpt”) gold (Au), 39.0 gpt silver (Ag), 0.23% copper (Cu), 0.14% lead (Pb) and 1.04% zinc (Zn) in RR19-05, and 0.8m grading 0.01 gpt Au, 21.0 gpt Ag, 0.45% Cu, 0.05% Pb, and 1.71% Zn in RR19-04.

See Table 2 below for details on each hole’s location and depth:

Table 2- 2019 Drill hole summary:

Hole ID	Name	Easting	Northing	Elevation	Azimuth	Dip	Length (m)
RR19-01	SRV	363521	6287725	165	41	-45	325
RR19-02	SRV	363521	6287725	165	60	-48	311
RR19-03	White Swan	364205	6286159	60	50	-50	415
RR19-04	Ziggy	363727	6287525	177	70	-45	327
RR19-05	Ziggy	363727	6287525	177	70	-70	228
RR19-06	Angie	361954	6289493	116	5	-70	339
RR19-07	Angie	361954	6289493	116	30	-60	354
RR19-08	Roxanne	364204	6287161	63	70	-70	323
						Total (M)	2,622

During the 2019 drilling season the Company cleared a total of 5 sites on the Property for 4 helicopter pads and 5 drill pads to accommodate the planned drill holes. All pre-existing pads built prior to 2019 had been previously reclaimed. Two of the newly constructed pads were reclaimed with all of the lumber removed and repurposed. The remaining 3 sites will be reclaimed or reused next year during the 2020 exploration programs.

Sugar Property

A group of 11 mineral claims, also in the Liard Mining Division, is known as the Sugar Property (“Sugar”) and is located approximately 7 km northwest of the Rock & Roll Property and 25 km southwest of the Galore Creek Deposit, a large copper-gold-silver deposit currently in pre-feasibility. No drilling has ever been done on the Sugar claims. The decision to stake the claims followed an extensive review and technical analysis of historical data available, including past Assessment Reports and publicly available B.C. Minfiles, amongst other data. The claims were staked during the year ended March 31, 2020 totaling 5,181 Ha at a cost of $9,566, capitalized to exploration and evaluation assets as an acquisition cost. To date, the

Company has done limited mapping and sampling work on the property, but a much larger field program is planned during this year's exploration.

Past mapping on the property has outlined multiple Texas Creek intrusive units that are commonly associated with important copper and/or gold deposits within the Golden Triangle including the Red Chris Mine, KSM copper-gold deposit and Pretium's Brucejack (Valley of the Kings) gold deposit.

Sugar includes several types of copper and copper/zinc occurrences which are mainly associated with skarns and/or quartz veins/stockworks. A 4 km long mineralized skarn trend, a nearby, copper-bearing quartz vein stockworks and a prominent gossan have been located on Sugar. Historic rock samples have returned numerous results greater than 1% copper and 5% Zinc. All the available data is being incorporated into a detailed GIS compilation in order to assess the potential and guide further work on the property.

Exploration

Exploration on the Sugar property in 2019 was limited to one day of reconnaissance mapping and sampling. Sixteen rock samples were collected by a team of 4 geologists. These samples were focused in areas of known mineralization. Carbonaceous units were identified in the areas of skarn mineralization as well as large intrusive bodies near some of the major quartz veining. Rock sample highlights included 3.63% zinc and 0.12% copper near a skarn showing and 0.82% copper in a newly identified quartz vein.

Based on the findings of past and present work, Etruscus is looking to tie together the 8 km copper trend that exists across the length of the Sugar Property. The ongoing goal would be to identify the source of the hydrothermal mineralization along this trend and outline drill targets to test depth potential for large scale porphyry targets. Also, further prospecting in recently deglaciated terrain will be helpful in adding value to this property.

Community Relations

In February 2020, the Company renewed an annual Communications Agreement with the Tahltan Central Government ("TCG"), the administrative body of the Tahltan Nation, located in northwest British Columbia, whose traditional territory encompasses both the Rock & Roll and Sugar properties. The TCG protects Tahltan Aboriginal rights and title, the ecosystems and natural resources of the Tahltan traditional territory by managing sustainable economic development and supporting the cultural wellness of the Tahltan community. The agreement establishes a solid framework and collaborative working arrangement between the parties, based on open dialogue, transparent communications and mutual co-operation with regards to the company's exploration activities on the Property. In addition, the agreement offers opportunities for employment, cultural, economic and educational support for Tahltan members. For more information about the TCG, visit www.tahltan.org.

Also in February 2020, the Company executed an Opportunity Sharing Agreement with the TCG, to provide further commercial opportunities for Tahltans and their businesses. The Company also supports certain Tahltan community events, youth causes, exploration symposiums and job fairs in local communities near the Company's mineral properties.

The Company respects the strict COVID-19 protocols issued by the TCG which are updated regularly. We continue our regular dialogue with Tahltan representatives in regard to our exploration activities and to continue our efforts to provide opportunities for Tahltans and their businesses.

QA/QC and Analytical Procedures

The Company has adopted a rigorous quality assurance and quality control ("QA/QC") program to ensure best practices in sampling both diamond drill core and surface rock chip samples of approximately 1 kg in weight. In 2019, NQ drill core was flown from drill site to the core shack facility where it was sampled at 1-3m intervals. The samples were then half cut with one half sent to ALS Limited, an independent commercial laboratory in Terrace via reputable expeditor. Intervals of half NQ drill core were crushed to 70% pass 2mm fraction, and then a 250g split was pulverized to better than 85% passed a 75-micros screen. The geochemical analyses were performed by ALS Limited in Vancouver using multi-element aqua-regia digestion ICP-MS package (ME-MS41). Gold was analyzed by fire assay technique Au-ICP21. Higher gold grades (>3 g/t) were analyzed by fire assay and gravimetric finish. ALS Limited is a global testing, inspection and certification business with facilities and laboratories in dozens of global locations, which is an ISO/IEC 17025:2005 accredited laboratory independent of the Company. In addition to ALS's internal QA/QC program, the Company inserted 10% duplicates into the overall sampling stream.

Selected Annual Financial Information

The following table provides a brief summary of the Company's annual financial operations since incorporation:

	As at and for the year ended March 31, 2020	As at and for the year ended March 31, 2019
Total assets	$ 1,866,852	$ 1,625,640
Total liabilities	(189,249)	(56,564)
Shareholders' equity (deficiency)	1,677,603	1,569,076
Selected operating expense items		
Consulting fees	212,009	204,000
Professional fees	21,502	78,975
Regulatory and transfer agent fees	17,316	29,284
Share-based compensation	7,504	430,585
Net loss	$ (355,517)	$ (748,085)
Basic and diluted loss per share	$ (0.02)	$ (0.04)

Analysis of annual cash flows:

During the year ended March 31, 2020, the Company raised a total of $486,590 from a private placement, incurring issuance costs of $2,085. The private placement consisted of 1,435,000 units at a price of $0.25 per unit and 399,500 flow-through units at a price of $0.32 per unit. The primary cash outflows in the year include $1,348,100 spent on resources properties and $342,484 spent on operations, reflecting that 80% of cash disbursed was spent on properties and 20% was spent on corporate overhead and administration. Other smaller cash flows during the year include interest income of $14,772, property and equipment purchases of $9,266, and payment of lease liability of $15,188. Total cash and cash equivalents declined during the year by $1,230,533.

During the year ended March 31, 2019, the Company raised a total of $1,379,500 from private placements, incurred issuance costs of $888 and rescinded $41,000 of subscriptions, for a net inflow of $1,337,612 from private placements. All financings were completed before the Company's shares were listed for trading on January 15, 2019 and were issued at $0.25 per unit, with each unit consisting of one common share and ½ share purchase warrant exercisable for 2 years at $0.50 per share. No finder's fees were paid.

During the year ended March 31, 2019, the Company spent $86,839 on the Property. A reclamation deposit of $20,000 was lodged with the BC Ministry of Mining, which secured an exploration permit valid until 2024. The Company spent $11,227 on computer and office equipment. Operating cash used was $326,363 and as a result of all these cash flows, the net cash increased $893,183 during the year and the cash and cash equivalents at March 31, 2019 was $1,276,494.

Analysis of annual operating results for the year ended March 31, 2020:

During the year ended March 31, 2020, a net loss of $355,517 (2019 - $748,085) was recorded, comprised of operating costs of $367,463 (2019 - $769,643), interest income of $10,506 (2019 - $21,558), amortization of discount of $2,826 and other income from settlement of flow-through share premium liability of $4,266. Operating costs includes share-based compensation, a non-cash item determined by the Black-Scholes pricing model in respect of options granted by the company from time to time. Operating costs not including share-based compensation were $359,959 (2019 - $339,058), an increase of 6% in 2020.

Operating costs consist of advertising, marketing and promotion of $47,302 (2019 - $3,222), consulting fees of $212,009 (2019 - $204,000), professional fees of $21,502 (2019 - $78,975), regulatory and transfer agent fees of $17,316 (2019 - $29,284), share-based compensation of $7,504 (2019 - $430,585), and other operating costs of $61,830 (2019 - $23,577) which includes depreciation, office and general, rent and travel. The Company has not retained an investor relations consultant and currently the CEO communicates with investors and shareholders.

Higher advertising, marketing and promotion in the current year was due to a 6-month contract for email and marketing awareness that ended in March 2020, which the Company credits for bringing subscriptions into its private placement that closed in late December 2019.

Consulting fees remained consistent between 2019 and 2020, rising only 4%. The same individuals perform work as they did in 2019, with the exception of the corporate secretary who resigned in September 2019. The key corporate secretarial duties are being managed by the CFO, with other tasks being done by a part-time administrator.

Professional fees were much higher in 2019, as were regulatory and transfer agent fees, because of the public listing process that continued through much of the fiscal year up to the Listing Date in January 2019. Ongoing professional fees are expected to mainly consist of the annual audit fee and occasional legal work needed from time to time, which is what the current year fees represent.

Share-based compensation in 2020 ($7,504) was low relative to 2019 ($430,585) because only one 60,000 stock option grant occurred in 2020 compared to 1,885,000 stock options that were granted in the prior year. The following parameters were used for determination of fair value of the option grants over the past two years:

	Year ended March 31, 2020	Year ended March 31, 2019
Risk-free interest rate	1.1%	1.61% – 1.93%
Expected life	5 years	5 years
Annualized volatility	89.5%	**150%
Forfeiture rate	0%	0%
Dividends	0%	0%

**Note: Share-based compensation reflects the estimated fair value of stock options granted by the Company pursuant to the Black-Scholes option pricing model. One of the model's inputs is the volatility of the Company's share price. There was insufficient trading in the newly listed Etruscus shares up to March 31, 2019 to yield a mathematically accurate volatility and accordingly, management used market comparables by averaging the disclosed volatilities of a group of 11 similar mineral exploration companies, to establish Etruscus' initial volatility at 150%.

Other operating costs in 2020 were all higher than the prior year including depreciation, office and general, rent and travel as shown in the statements of operations and comprehensive loss. One highlight is the depreciation which now includes straight-line amortization of right-of-use ("ROU") assets, which are capitalized leased assets, over the lease term. The ROU portion of depreciation is $13,554 of the total depreciation of $19,958, compared to total 2019 depreciation of $2,678, of which the ROU portion was Nil.

Analysis of annual operating results for the year ended March 31, 2019:

For the year ended March 31, 2019, a net loss of $748,085 was incurred, compared to a loss of $61,036 for the initial period from incorporation on July 1, 2017 to March 31, 2018. The net loss was comprised of operating costs of $769,643 (2018 - $61,096) and interest income of $21,558 (2018 - $60). The interest primarily came from the Company's investment of its cash reserves in a fully redeemable bank GIC. Before share-based compensation of $430,585 (2018 - $nil), the operating expenses were $339,058 (2018 - $61,096), as detailed in the statements of operations and comprehensive loss. Consulting fees were $204,000 (2018 - $30,000) including $157,500 (77%) to four officers of the company. The CEO worked full time for the Company while the CFO, Corporate Secretary, Executive Chairman and V.P. of Exploration worked less than full-time for the Company. The other key components of operating expenses were professional fees of $78,975 (2018 - $29,590) and regulatory and transfer agent fees of $29,284 (2018 - $483), which together with consulting fees comprise 92% (2018 - 98%) of operating costs, not including share-based compensation. Higher professional fees and regulatory and transfer agent fees in 2019 reflect the efforts and work done ahead of the Company's shares listing on the CSE Exchange, including audit, financial statement and prospectus review engagements, legal fees, and various listing and share issuance fees. The Company subleased a small office of 440 sq. ft. on September 1, 2018 for a period expiring in December 2019, at a rate of $1,546 per month.

Selected Quarterly Financial Information

	Three Months Ended June 30, 2020	Three Months Ended March 31, 2020	Three Months Ended December 31, 2019	Three Months Ended September 30, 2019
Total assets	$ 1,938,183	$ 1,866,852	$ 1,930,204	$ 2,016,280
Total liabilities	(210,255)	(189,249)	(141,555)	(589,667)
Shareholders' equity	1,727,928	1,677,603	1,788,649	1,426,613
Major operating expenses:				
Advertising, marketing, promotion	173,586	22,717	22,369	126
Consulting fees	50,438	51,059	44,500	54,450
Professional fees	316	16,250	5,252	-
Share-based compensation	41,516	7,504	-	-
Regulatory and transfer agent	16,744	5,428	5,418	4,219
Net income (loss)	(296,916)	(117,965)	(95,089)	(71,263)
Earnings (loss) per share- basic and diluted	(0.01)	(0.00)	(0.00)	(0.00)

	Three Months Ended June 30, 2019	Three Months Ended March 31, 2019	Three Months Ended December 31, 2018	Three Months Ended September 30, 2018
Total assets	$ 1,522,049	$ 1,625,640	$ 1,642,170	$ 1,652,999
Total liabilities	(24,173)	(56,564)	(63,926)	(20,125)
Shareholders' equity	1,497,876	1,569,076	1,578,244	1,632,874
Major operating expenses:				
Advertising, marketing, promotion	2,090	2,592	414	-
Consulting fees	62,000	54,000	45,000	45,000
Professional fees	-	12,363	31,028	15,179
Regulatory and transfer agent	-	430,585	-	-
Share-based compensation	2,251	10,797	10,752	-
Net income (loss)	(71,200)	(514,753)	(88,630)	(56,692)
Earnings (loss) per share- basic and diluted	(0.00)	(0.03)	(0.00)	(0.00)

Results of Quarterly Operations

In the following discussion concerning the results of operations, as the fiscal year end is March 31, the quarterly periods are referenced as follows:

Three-month period ended June 30, 2020: Q1 2021
Three-month period ended March 31, 2020: Q4 2020
Three-month period ended December 31, 2019: Q3 2020
Three-month period ended September 30, 2019: Q2 2020
Three-month period ended June 30, 2019: Q1 2020

Three months ended June 30, 2020 compared to three months ended June 30, 2019:

The Company had a net loss of $296,916 (Q1 2020 - $71,200) in the first quarter of the fiscal year. The net loss is composed of operating expenses of $300,407 (Q1 2020 - $77,780), amortization of discount of $775 (Q1 2020 - $Nil), other income on settlement of flow-through share premium liability of $4,266 (Q1 2020 - $Nil) and interest income of $Nil (Q1 2020 - $6,580). Other income on settlement of flow-through share premium liability represents the proportion of amount of qualifying exploration expenses incurred relative to the total flow-through financing that was completed, as applied to the flow-through share premium liability. As at June 30, 2020, $88,840 of qualifying exploration expenditures remains to be incurred in the in the 2020 exploration season, in respect of the completed December 2019 flow-through private placement.

Operating expenses include share-based compensation, the amount of which is derived from the Black-Scholes option pricing model as a result of the granting of stock options, which totalled $41,516 (Q1 2020 - $Nil). In the current quarter, the amount resulted from the grant of 230,000 stock options to consultants, exercisable at $0.25 per share for five years, and which vested upon grant.

Operating costs, not including share-based compensation, were $258,891 (Q1 2020 - $77,780) during the quarter. The largest categories of expenses were advertising, marketing and promotion of $173,586 (Q1 2020 - $2,090) and consulting fees of $50,438 (Q1 2020 - $62,000), together comprising 87% (Q1 2020 - 80%) of operating costs. Consulting fees to management remained at the same rates as the prior year, and the departure of the Corporate Secretary in September 2019 has resulted in lower aggregate quarterly consulting fees.

The increase in advertising, marketing and promotion expenses in the current quarter coincided with a number of key events during the period. First, the global pandemic began in March 2020, the same time that exploration companies tend to begin their seasonal fundraising efforts and plan their exploration programs. The initial government responses to the pandemic caused an immediate economic stagnation resulting in a lack of risk capital for investment, causing most early stage explorers to delay their fundraising efforts. Secondly, the Company's shares were listed on the Frankfurt Stock Exchange in May 2020, but the Company has had no visibility in the European markets, and travelling is not feasible. Third, the initial economic shocks from the pandemic have subsided and been replaced by solidly recovering global markets, a record high in gold and the highest silver prices in five years. The Company responded to these events by engaging in marketing awareness and email campaigns in Canadian and German markets, using several independent firms. The Company felt that increased awareness of Etruscus' Rock & Roll project and tight capital structure would help with fundraising and market liquidity through this uncertain period. Management is optimistic that these efforts will continue to generate investment interest, improving liquidity and ultimately contributing to the Company's fundraising efforts.

Specifically, the Company contracted with a Toronto-based specialist in digital video marketing to create awareness of the Company primarily in the Canadian capital markets through video interviews, re-publication on social media of Company press releases and other publicly available information and to assist with managing the Company's social media channels. A German marketing firm was engaged to translate and circulate company materials to specific investment sectors in Germany and Europe. In addition, a Vancouver company also distributed publicly available project and corporate information to its email networks.

In the current quarter, the Company spent net cash of $259,384 (Q1 2020 - $119,634) on operations and $9,092 (Q1 2020 - $158,814) on exploration. In the current quarter, a private placement was completed, raising $306,250 (Q1 2020 - $Nil). Higher disbursements in the current period are primarily due to additional marketing costs as described above. Lower exploration costs this year are the result of the pandemic, which prevented any early season field work this year, while in the comparative period, the Company completed an April 2019 field visit and a June 2019 bark sampling program.

Three months ended June 30, 2020 compared to three months ended March 31, 2020:

The Company had a net loss in the current quarter of $296,916 (Q4 2020 - $117,965), composed of operating costs of $300,407 (Q4 2020 - $121,372) and total other income (net) of $3,491 (Q4 2020 - ($3,407). Operating costs increased $179,035, with the key drivers being advertising marketing and promotion which increased $150,869 and share-based compensation which increased $34,012, with all other operating costs in aggregate slightly declining in the quarter. The increase in marketing costs and share-based compensation is explained in the above paragraphs.

Negligible changes between the two periods occurred in consulting fees, depreciation, and rent. Office and general expenses rose from $3,615 to $8,383; professional fees declined from $16,250 to $316; regulatory and transfer agent fees increased from $5,428 to $16,744, and travel declined from $4,591 to Nil. Due to the small scale of the Company's operations, these changes are typical, and often include recurring amounts from year to year. Specifically, higher professional fees in the prior quarter reflect the audit accrual recorded at that time, and in the current quarter $11,781 was incurred for the Frankfurt Stock Exchange Listing, fully accounting for the increase of regulatory and transfer agent fees relative to the prior quarter.

Office and general expenses include office supplies, insurance, postage and courier, communications, press release dissemination, website and IT maintenance, printing, dues, fees and subscriptions and other general expenses.

Overall, there are 6 individuals working full or part-time for the Company, including management, administration, and exploration personnel. Management expects these roles to continue for the foreseeable future, with general responsibilities and business functions to remain materially the same over the ensuing fiscal periods. Going forward, we expect total recurring operating costs to continue at an average of $90,000 per quarter, and may range from $65,000 to $120,000 per quarter, depending on timing of certain annual expenses such as audit fees, annual listing and filing fees and the occasional engagement of consultants for short-term marketing and email programs. Management considers these amounts to be appropriate for its stage of development. The Company does not expect to spend the same amounts on advertising and marketing in subsequent periods as it did this past quarter, noting that the current period operating costs were as expected, at $85,305 before share-based compensation and before advertising and marketing costs.

Leases:

On July 1, 2019, the Company entered into a three-year office premises sublease agreement. The terms of the sublease follow those of the head lease. The lessor is Metallis Resources Inc. ("MTS"), a public company related by 2 common directors and a common officer. The sublease is for ½ of the space leased by MTS under a head lease. Fixed monthly sublease payments are $1,688 per month. The lease liability was measured at the present value of the remaining lease payments, discounted at the Company's incremental borrowing rate of 8%, the same discount rate as that used by MTS under the head lease. At the inception of the sublease, the Company recognized a lease liability of $54,210 and a corresponding ROU asset value of the same amount. Leasehold improvement costs of $6,617 were also recorded as ROU assets.

The Company has no other material equipment or service leases for the period ended June 30, 2020.

The following table shows the summary of lease payments and calculation of lease liability:

Lease liability:

Operating lease commitment as at July 1, 2019	$ 60,750
Discount using incremental borrowing rate	(6,540)
Lease liability recognized as at July 1, 2019	54,210
Lease payments	(15,188)
Lease interest	2,826
Balance as at March 31, 2020	41,848
Lease payments	(5,063)
Lease interest /amortization of discount	775
Balance as at June 30, 2020	$ 37,560

Current portion	$ 18,032
Long-term portion	19,528
Balance as at June 30, 2020	$ 37,560

At June 30, 2020, future payments required under the Company's office lease are as follows:

Year ended March 31, 2021	$ 15,187
Year ended March 31, 2022	20,250
Year ended March 31, 2023	5,063
Total	$ 40,500

Use of judgements and estimates:

In preparing the Company's financial statements, management makes judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Significant assumptions about the future and other sources of estimation uncertainty that management has made could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from the expected results, based on the assumptions made. The effect of a change in an accounting estimate is recognized prospectively by including it in profit or loss in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty for the period ended June 30, 2020 were the same as those described in the annual financial statements for the year ended March 31, 2020.

The key assumptions, judgements and estimates made by management include but are not limited to the following:

a) The carrying value of the investment in exploration and evaluation costs and the recoverability of the carrying value which are included in the statement of financial position;

b) The Company has taken steps to verify title to exploration and evaluation assets in which it has an interest, but these procedures do not guarantee the Company's title. Properties may be subject to prior agreements or transfers and title may be affected by undetected defects;

c) Significant judgment is required in determining the provision for income taxes. During the ordinary course of business, there are transactions and calculations for which the ultimate tax determination is uncertain. As a result, the Company recognizes tax liabilities based on estimates of whether additional taxes and interest will be due. These tax liabilities are recognized when, despite the Company's belief that its tax return positions are supportable, the Company believes that certain positions are likely to be challenged and may not be fully sustained upon review by tax authorities. This assessment relies on estimates and assumptions and may involve a series of complex judgments about future events. To the extent that the final tax outcome of these matters is different than the amounts recorded, such differences will impact income tax expense in the period in which such determination is made;

d) The inputs used in accounting for share-based compensation expense in the statement of operations and comprehensive loss, including share price volatility and risk-free interest rates;

e) The significant judgements, estimates and assumptions made by management as they relate to IFRS 16 - *Leases*, primarily include evaluating the appropriate discount rate to use to discount the lease liability, the determination of the lease term when the lease contains an extension option, and assessing if the Company is reasonably certain that it would exercise an extension option; and

f) The assumption that the Company is a going concern and will continue operating for the foreseeable future, being one year, is a judgment.

Liquidity and capital management

The Company has no commercial operations or source of revenue, no long-term debt other than a lease liability, and no externally imposed capital requirements other than those specified under continuous listing requirements. The Company's capital is, therefore, its issued share capital. The capital for operations and property exploration has and is expected to continue to come from the issuance of common shares or units for the foreseeable future. The Company's objectives when managing its capital are to fund critical exploration work, meet its on-going liabilities and maintain creditworthiness, continue as a going concern, and to ultimately maximize returns for shareholders over the long term.

Managing liquidity risk means having sufficient liquidity to meet liabilities when they become due. The Company's working capital at June 30, 2020 is $222,835 which includes the accrual of the 2019 BC METC tax credit receivable of $270,908, expected to be received later in calendar year 2020. It also includes cash and cash equivalents of $78,147 (March 31, 2020 -$45,961) and current liabilities of $190,727 (March 31, 2020 - $165,077). Subsequent to June 30, 2020, the Company closed the first tranche of a private placement, raising $1.2 million. The Company expects to close the second tranche in August 2020. The planned drilling program for 2020 may be extended, contingent on further financing being raised.

The Company's working capital at the date of this report is $977,000 as follows:

Current working capital:		(000's)
Cash and cash equivalents	$	912
Receivables		18
BC METC		271
Accounts payable and accrued liabilities		(89)
Due to related parties		(81)
Flow-through premium liability		(36)
Lease liability		(18)
Total net working capital	$	977

This calculation has been prepared by management.

Disclosure of Outstanding Security Data

The total number of common shares outstanding as of the date of this report is 25,899,945 shares, (March 31, 2020 – 21,228,501 shares), with 33,537,500 fully diluted shares outstanding.

Share transactions subsequent to June 30, 2020:

On July 15, 2020, 1,500,000 common shares were released from escrow, leaving 4,500,000 shares in escrow.

On July 29, 2020, a consultant exercised 40,000 stock options at $0.25 per share for proceeds of $10,000.

On August 17, 2020, the Company announced the closing of the first tranche of a private placement, issuing 3,130,000 non-flow-through units at $0.35 per unit for proceeds of $1,095,500 and 276,444 flow-through units at $0.45 per unit for proceeds of $124,400. Each flow-through unit consists of one flow-through common share and one non-flow-through share purchase warrant entitling the holder to purchase one additional common share at a price of $0.60 per share for a 3-year period. Each non-flow-through unit consists of one common share and one share purchase warrant entitling the holder to purchase one additional common share at a price of $0.50 per share for a 3-year period. Total finders' fees of $19,163 were paid and 53,861 finders' warrants were issued, entitling the holders to purchase an equal number of common shares at a price of $0.45 per share for a 3-year period.

Share transactions during the period ended June 30, 2020:

On June 2, 2020, the Company completed a non-brokered private placement for gross proceeds of $306,250 by the issuance of 1,225,000 units at a price of $0.25 per unit, with each unit consisting of one common share and one common share purchase warrant with an exercise price of $0.40 per share with an exercise term of two years from the issuance date. Total issuance costs of $525 were incurred. No residual value was assigned to the warrant component of the private placement.

Share transactions during the year ended March 31, 2020:

a) On December 27, 2019, the Company completed a private placement of 1,834,500 units, raising gross proceeds of $486,590, as follows:

   i) The Company issued 1,435,000 units at a price of $0.25 per unit, raising $358,750. Each unit consists of one common share and ½ of one non-transferrable share purchase warrant with each full warrant exercisable at a price of $0.40 per share for a two-year period. Total issuance costs of $1,500 were incurred and no value was attributed to the warrants under the residual value method; and

   ii) The Company also issued 399,500 flow-through units at a price of $0.32 per flow-through unit, raising $127,840. Each flow-through unit consists of one flow-through common share and ½ of one non-flow-through, non-transferrable share purchase warrant with each full warrant exercisable at a price of $0.50 per share for a two-year period. The Company recorded a flow-through premium liability of $27,965 as a deduction from share capital, being the difference between the amounts recognized in common shares and the amounts investors paid for the units. Total issuance costs of $585 were incurred and no value was attributed to the warrants under the residual value method.

b) On July 15, 2019, 1,500,000 common shares were released from escrow, leaving 7,500,000 shares remaining in escrow.

c) On January 15, 2020, 1,500,000 common shares were released from escrow, leaving 6,000,000 shares remaining in escrow.

Stock options:

During the period ended June 30, 2020, the Company granted 230,000 stock options to consultants, exercisable at $0.25 per share for a period of five years. The options vested upon grant. Share-based compensation of $41,516 was recorded.

During the year ended March 31, 2020, the Company granted 60,000 stock options to a consultant, exercisable at $0.25 per share for a period of five years. The options vested upon grant.

At the date of this report, there are 1,885,000 stock options outstanding and exercisable as follows:

Expiry Date	Number of Options outstanding	Exercise Price ($)
January 15, 2024	1,250,000	0.25
January 21, 2024	295,000	0.25
March 15, 2024	50,000	0.28
February 27, 2025	60,000	0.25
May 25, 2025	230,000	0.25
Total outstanding options	1,885,000	0.25

Warrants:

There are 5,752,555 warrants outstanding as of the date of this report as follows:

Expiry Date	Number of Warrants outstanding	Exercise Price ($)
December 19, 2020	150,000	0.50
December 19, 2021	37,500	0.40
December 27, 2021	680,000	0.40
December 27, 2021	199,750	0.50
June 1, 2022	1,225,000	0.40
August 6, 2023	3,130,000	0.50
August 6, 2023	53,861	0.45
August 6, 2023	276,444	0.60
Total	5,752,555	

Directors, Officers and Management

The directors of the Company are Gordon Lam, Fiore Aliperti, Michael Sikich and Jason Leikam. The officers are Gordon Lam (CEO), Fiore Aliperti (Executive Chairman), Jon Lever (CFO) and Dave Webb (Vice-President of Exploration). The Company's Advisory Board consists of Lindsay Bottomer, David Dupre and Murray Jones. The MD&A issued by the Company for the year ended March 31, 2019 (pages 14-15), contains biographies of the advisory board members.

Transactions with Related Parties

The following related parties for the periods presented include directors and key management personnel, including those entities in which such individuals may hold positions that result in them having control or significant influence over the financial or operation policies of these entities:

a) Hatch 8 Consulting is a company controlled by the current Chief Executive Officer and director of the Company, and provides consulting services to the Company;

b) Lever Capital Corp. is a company controlled by the Chief Financial Officer and provides consulting services to the Company;

c) The Company's Corporate Secretary provided corporate secretarial, general administrative and bookkeeping services to the Company up to September 25, 2019, the date of her resignation;

d) Avanti Consulting Inc. is a company controlled by a director of the Company who acts as Executive Chairman of the Board, and provides consulting services to the Company;

e) DRW Geological Consultants Ltd. is a company controlled by the Company's Vice-President of Exploration and provides the Company with geological consulting services, the amounts of which are capitalized under exploration and evaluation assets; and

f) Metallis Resources Inc. ("MTS") is a company that has two directors and an officer in common with the Company.

Amounts owing to related parties of $85,196 (March 31, 2020 - $55,784) is comprised of amounts owing to management and amounts owing to a related public company as follows:

i) The aggregate value of key management compensation and outstanding balances relating to the above noted related parties are as follows:

		Transactions for the period ended June 30, 2020	Transactions for the year ended March 31, 2020	**Balance payable as at June 30, 2020**	Balance payable as at March 31, 2020
Short-term benefits:					
Hatch 8 Consulting	**(a)**	**$ 22,500**	$ 90,000	**$ 23,625**	**$ 10,750**
Lever Capital Corp.	**(b)**	**7,500**	30,000	**15,750**	**15,750**
Sameen Oates	**(c)**	**-**	15,000	**-**	**-**
Avanti Consulting Inc.	**(d)**	**7,500**	30,000	**15,750**	**15,750**
DRW Geological Consultants Ltd.	**(e)**	**12,000**	48,000	**16,800**	**4,200**
Total		**$ 49,500**	$ 213,000	**$ 71,925**	**$ 46,450**

ii) During the period ended June 30, 2020, the company entered into transactions with MTS as follows:

	Due to MTS as at March 31, 2020	**Transactions during the period ended June 30, 2020**	Amounts repaid	**Due to MTS as at June 30, 2020**
Rent	$ 8,890	**$ 8,890**	$ (8,890)	**$ 8,890**
Office expenses	-	**3717**	-	**3,717**
GST	444	**664**	(444)	**444**
Total	$ 9,334	**$ 13,271**	$ (9,334)	**$ 13,271**

During the period ended June 30, 2020 and the year ended March 31, 2020, the Company did not grant any stock options to related parties.

Off Balance Sheet Arrangements

Aside from the aforementioned office premises leases, the Company has no other asset or equipment leases or other off-balance-sheet arrangements. Accordingly, as at June 30, 2020 the Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a material current or future effect on the results of operations or financial condition of the Company.

Risk Factors

Common shares should be considered highly speculative due to the nature of the Company's business (mineral exploration) and the current state of its development (early stage, without revenue). In evaluating the Company and its business, investors should carefully consider, in addition to the other information contained in this MD&A and in the Company's financial statements, the risk factors described below.

These risk factors are not a definitive list of all risk factors associated with an investment in the Company or in connection with the Company's operations. There may be other risks and uncertainties that are not known to the Company or that the Company currently believes are not material, but which also may have a material adverse effect on its business, financial condition, operating results or prospects. In that case, the trading price of the Company's common shares could decline substantially, and investors may lose all or part of the value of the common shares held by them.

No Production History

The Company is a mineral exploration company with no history of earnings or revenue. There are no known commercial quantities of mineral reserves on any of its resource properties. Few exploration properties are ultimately developed into producing properties. There is no assurance that the Company will ever discover any commercially economic quantities of mineral reserves.

Negative Operating Cash Flow

Since inception, the Company has had negative operating cash flow and has incurred losses since its incorporation. The losses and negative operating cash flow are expected to continue for the foreseeable future as funds are expended on exploration of the properties and on administrative costs. The Company cannot predict when or if it will reach positive operating cash flow.

Possible Trading Suspension or Delisting

The CSE may suspend from trading or delist the securities of the Company where the Company has failed to submit documents to the CSE in the time periods required or has otherwise failed to meet minimum standards. Suspension from trading of the common shares may, and delisting of the common shares will, result in the regulatory securities authorities issuing a consolidated interim cease trade order against the Company. In addition, delisting of the common shares would result in the cancellation of all the currently issued and outstanding common shares of the Company held by insiders. Trading in the common shares of the Company may be halted at other times for other reasons also.

Requirement for Further Financing

The Company has limited financial resources and must raise additional funds to finance most of its 2020 exploration programs and working capital needs. There is no assurance the Company will be able to raise additional funds or will be able to do so on terms acceptable to it.

If the Company's exploration programs are successful and favorable exploration results are obtained, this may lead towards economic feasibility and mine construction. The Company would therefore require significantly more capital to place the properties into production. The sources of funding that would be available are from the issuance of equity, debt, joint venture or the sale of property interests and even if such financing is available, there is no assurance that such funds will be sufficient to bring any resource property to commercial production. Failure to obtain additional financing on a timely basis could have a material adverse effect on the Company and could cause it to forfeit its interest in its properties and reduce or terminate its operations.

Dilution

When the Company issues treasury shares to finance acquisition or participation opportunities, or to raise exploration funds and working capital, shareholders could suffer dilution of their investment and/or control of the Company could change, depending upon the issuance price.

Escrowed Shares

The possible sale of common shares released from escrow on each release date could negatively affect the market price of the Company's common shares and result in an excess of sellers of common shares to buyers of common shares and seriously affect the liquidity of the common shares.

Title to Properties

Acquisition of title to mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed. Although the Company has investigated its title to its properties for which it holds an option to acquire concessions, royalties or other mineral leases or licenses and the Company is satisfied with its review of the title to its properties, the Company cannot give an assurance that such title will not be challenged or impugned. Mineral properties sometimes contain claims or transfer histories that examiners cannot verify. The Company does not carry title insurance on its properties. A successful claim that the Company does not have title could cause the Company to lose its rights to its properties, perhaps without compensation for its prior expenditures on its properties.

Resource properties may now or in the future be the subject of indigenous land claims. The legal nature of indigenous land claims is a matter of considerable complexity. The impact of any such claim on the Company's ownership interest in its properties cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of indigenous rights in the area in which the properties are located, by way of a negotiated settlement or judicial pronouncement, would not have an adverse effect on the Company's activities.

Surface Rights

The Company does not own the surface rights to its properties. The Company understands that it is necessary, as a practical matter, to negotiate surface access, and the Company is continuing to do so. However, there is a risk that local communities or affected groups may take actions to delay, impede or otherwise terminate the contemplated activities of the Company. There can be no guarantee that the Company will be able to negotiate a satisfactory agreement with any such existing landowners/occupiers for such access, and therefore it may be unable to carry out significant exploration and development activities. In addition, in circumstances where such access is denied, or no agreement can be reached, the Company may need to rely on the assistance of local officials or the courts in such jurisdiction, which assistance may not be provided or, if provided, may not be effective. If the development of a mine on a resource property becomes justifiable it will be necessary to acquire surface rights for mining, plant, tailings and mine waste disposal. There can be no assurance that the Company will be successful in acquiring any such rights.

Management

The success of the Company is largely dependent upon the performance of its management. The loss of the services of these persons may have a material adverse effect on the Company's business and prospects. There is no assurance that the Company can maintain the service of its management or other qualified personnel required to operate its business. Directors and officers other than the CEO of the Company may not be devoting 100% of their time to the affairs of the Company but do and will continue to devote such time as required to effectively manage the Company.

Requirement for Permits and Licenses

The Company follows all regulations and legal compliance requirements in regard to its exploration activities, including the application and terms of all necessary licenses and permits. However, such licenses and permits are subject to changes in regulations and in various operational circumstances. A substantial number of additional permits and licenses will be required should the Company proceed beyond exploration. There can be no guarantee that the Company will be able to obtain such licenses and permits. It does however currently have a valid BC Mines Act exploration permit allowing drilling, expiring March 31, 2024, for the initial group of 14 Rock & Roll Property claims acquired from Equity in March 2018 and the first 3 contiguous claims staked in June 2018. The other mineral claims held by the Company do not require a permit for airborne work, basic prospecting and sampling, and if the Company reaches the drilling phase of exploration on those claims, it will apply for such permit.

Community Relations

Public scrutiny of mining projects and a general increase in environmental concerns has been addressed by the mining industry by involving both the local and broader communities and having open communications and dialogue with them and other stakeholders. Garnering community and public support for continued exploration, future mine development and construction includes public engagement and involvement of key community stakeholders throughout the exploration and development process. The Company’s resource properties lie within the traditional territory of the Tahltan Nation, a key stakeholder. Key areas of concern include the sharing or transfer of economic benefits and environmental stewardship. The lack of a social license to operate could impair the value of the Company’s resource properties or delay or prevent exploration, development or construction activities.

Environmental Risks and other Regulatory Requirements

The current or future operations of the Company, including the exploration activities and commencement of production on any resource property, will require permits from various federal and local governmental authorities, and such operations are and will be governed by laws and regulations governing exploration, development, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, site safety and other matters. There can be no assurance that all permits which the Company may require for its facilities and conduct of exploration and development operations will be obtainable on reasonable terms or that such laws and regulations would not have a material adverse effect on any exploration and development project which the Company might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in exploration and development operations may be required to compensate those suffering loss or damage by reason of the exploration and development activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations.

Amendments to current laws, regulations and permits governing the operations and activities of mineral companies, or more stringent enforcement thereof, could have a material adverse impact on the Company and cause increases in capital expenditure or exploration and development costs or reduction in levels of production at producing properties or require abandonment or delays in the development of new properties.

Uninsurable Risks

Exploration of mineral properties involves numerous risks, including unexpected or unusual geological conditions, rock bursts, cave-ins, fires, floods, earthquakes and other environmental occurrences, and political and social instability. It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks due to high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any further profitability and result in increasing costs and a decline in the value of the securities of the Company. The Company does currently maintain exploration and pollution liability insurance but any incident that occurs cannot be guaranteed to be insured.

Economic Conditions

Unfavorable economic conditions may negatively impact the Company's financial viability as a result of increased financing costs and limited access to capital markets. An example was the beginning of the COVID-19 pandemic, through late March and April 2020, when global economies suffered extensive lockdowns, stock markets experienced large volatilities and financings were largely put on hold.

Conflicts of Interest

Directors of the Company may, from time to time, serve as directors of, or participate in ventures with other companies involved in natural resource development. As a result, there may be situations that involve a conflict of interest for such directors. Each director will attempt not only to avoid dealing with such other companies in situations where conflicts might arise but will also disclose all such conflicts in accordance with the *Business Corporations Act* (British Columbia) and will govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law.

Litigation

The Company and/or its directors may be subject to a variety of civil or other legal proceedings, with or without merit. The Company does not know of any such pending or actual material legal proceedings as of the date of this MD&A.

No Cash Dividends

The Company has not declared any cash dividends to date, has no current earnings, and therefore the Company does not anticipate declaring any cash dividends for the foreseeable future.

Ore Reserves and Reserve Estimates

The Company's business relies upon the ability to determine whether a given resource property has commercial quantities of recoverable minerals. No assurance can be given that any discovered mineral reserves and resources will be recovered or that they will be recovered at the rates estimated. Mineral reserve and resource estimates are based on limited sampling and, consequently, are uncertain because the samples may not be representative. Mineral reserve and resource estimates may also require revision (either up or down) based on actual production experience.

Financial Risks

The Company’s financial risk exposures and their impact on the Company’s financial instruments are summarized below:

Credit risk

Credit risk arises from the potential that one or more counterparties fail to meet their obligations. The Company is normally exposed to credit risk through its cash and cash equivalents and receivables. The Company manages credit risk associated with its cash and cash equivalents by using reputable financial institutions, from which management believes the risk to be remote. Receivables generally consist of recoverable Canadian sales taxes and accrued interest on short-term money market investments and management believes the collectability of these amounts to be assured.

Liquidity risk

Liquidity risk is related to the ability of the Company to meet its obligations as they come due. The Company has historically relied on equity financings to satisfy its capital requirements and will continue to depend upon equity capital as the main source of capital but could also enter into earn-in arrangements or the sale of certain property interests. There is no assurance that the Company will be able to obtain its future financings on acceptable terms. The ability of the Company to continue on this course will depend, in part, on the prevailing market conditions and the market interest in financing the Company’s mineral property exploration programs, and the scope of such programs.

The Company’s basic approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at June 30, 2020 the Company had cash and cash equivalents of $78,147 (March 31, 2020 -$45,961) to settle current liabilities of $190,727 (March 31, 2020 - $165,077). However, the Company’s net working capital at June 30, 2020 is $222,835 which includes the accrual of the 2019 BC METC tax credit receivable of $270,908, expected to be received later in calendar year 2020. A private placement financing subsequent to June 30, 2020 closed a first tranche, raising $1.2 million which provided the funds needed to initiate the exploration season. The Company expects to close the second tranche this summer and to maintain liquidity through 2020.

Interest rate risk

The Company is not exposed to risk in the event of interest rate fluctuations. The Company has no long-term debt other than an office premises lease and has not entered into any interest rate swaps or other financial arrangements to mitigate the exposure to interest rate fluctuations, and current interest rates remain historically low.

Market risk

The Company is subject to limited market risk as the price of its short-term money market investments fluctuates due to market forces. The Company has no control over their fluctuating prices, does not hedge its investments and the fluctuations are limited in scope and volatility. At the date of this report however, the Company held no short-term money market investments.

Foreign currency risk

The Company's functional currency is the Canadian dollar and an immaterial amount of transactions are based on other currencies. Management believes the foreign exchange risk derived from currency conversions is not significant and therefore does not hedge its foreign exchange risk.

Corporate Governance

The Company's Board of Directors and its audit committee substantially follow the recommended corporate governance guidelines for public companies to ensure transparency and accountability to the shareholders. The current Board of Directors is 4 individuals comprised of 2 independent members and 2 executive officers. The audit committee consists of 3 financially literate members comprised of 2 independent directors and the chief executive officer.