

## FORM 5

### **QUARTERLY LISTING STATEMENT**

Name of Listed Issuer: Medaro Mining Corp. (the "Issuer").

Trading Symbol: MEDA

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**

***The Issuer's Financial Statements for the nine months ended June 30, 2021 are attached as Schedule A.***

Financial statements are required as follows:

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

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

## **SCHEDULE B: SUPPLEMENTARY INFORMATION**

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

### **1. Related party transactions**

***All related party transactions have been disclosed in the Issuer's financial statements for the nine months ended June 30, 2021 and attached as Schedule A.***

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

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

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

***All securities issued and options granted have been disclosed in the notes to the financial statements for the nine months ended June 30, 2021, and attached as Schedule A.***

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

- (a) summary of securities issued during the period,

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

(1) Each Unit consists of one common shares and ½ of one common share purchase warrant, whereby each whole common share purchase warrant entitles the holder to purchase one addition common share of the Issuer at a price of \$0.55 per share for a period of 12 months.

(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

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

***A summary of the securities has been provided in the financial statements for the nine months ended June 30, 2021 and attached as Schedule A.***

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.

As at August 30, 2021, the following common shares of the Issuer were subject to escrow and pooling agreements:

Designation of Class	Number of Securities Held in Escrow or that are Subject to a Contractual Restriction on Transfer	Percentage of Class
Common Shares	4,500,000	12.43% <sup>(1)</sup>

**Notes:**

(1) Based on 36,200,240 Common Shares issued and outstanding as at the date of this MD&A.

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

Name of Directors/Officers	Position(s) Held
Faizaan Lalani	President, Director
Charles Hugh Maddin	CEO, Director
Mark Ireton	Director
Shaun Mann	Director
Geoff Balderson	Corporate Secretary
Alex McAulay	CFO

## **SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS**

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

***The Issuer's Management's Discussion and Analysis for the nine months ended June 30, 2021 is attached as Schedule 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 30, 2021.

Alex McAulay  
Name of Director or Senior Officer

/s/Alex McAulay  
Signature

CFO and Director  
Official Capacity

<b>Issuer Details</b> Name of Issuer	For Quarter Ended	Date of Report YY/MM/D
Medaro Mining Corp.	June 30, 2021	21/08/30
Issuer Address		
Suite 1000 – 409 Granville Street		
City/Province/Postal Code	Issuer Fax No.	Issuer Telephone No.
Vancouver, BC V6C 1T2		(604) 602-0001
Contact Name	Contact Position Corporate Secretary	Contact Telephone No.
Geoff Balderson		(604) 602-0001
Contact Email Address	Web Site Address	
gb@harmonycs.ca		

Schedule "A"

**MEDARO MINING CORP.**

**CONDENSED INTERIM FINANCIAL STATEMENTS**

For the nine months ended June 30, 2021

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

**NOTICE OF NO AUDITOR REVIEW OF THE  
CONDENSED INTERIM FINANCIAL STATEMENTS**

In accordance with National Instrument 51-102 Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of these condensed interim financial statements, they must be accompanied by a notice indicating that the condensed interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of the Company for the nine months ended June 30, 2021 have been prepared by and are the responsibility of the Company's management, and have not been reviewed by the Company's auditors.



**MEDARO MINING CORP.****CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION**

June 30, 2021 and September 30, 2020

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

	<b>June 30, 2021</b>	<b>September 30, 2020</b>
		(audited)
<b>ASSETS</b>		
Current		
Cash	\$ 3,161,396	\$ 783,012
Receivables	39,037	983
Prepaid expenses	638,517	8,000
	3,838,950	791,995
Exploration and evaluation assets (Note 5)	245,000	-
<b>Total assets</b>	<b>\$ 4,083,950</b>	<b>\$ 791,995</b>
<b>LIABILITIES</b>		
Current		
Accounts payable and accrued liabilities	\$ 122,636	\$ 11,625
<b>SHAREHOLDERS' EQUITY</b>		
Share capital (Note 6)	3,951,892	754,998
Share subscriptions received (Note 6)	-	114,550
Reserve (Note 6)	397,057	-
Deficit	(387,635)	(89,178)
<b>Total shareholders' equity</b>	<b>3,961,314</b>	<b>780,370</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 4,083,950</b>	<b>\$ 791,995</b>

Going concern (Note 2)

Commitments (Notes 5 and 6)

Subsequent event (Note 10)

APPROVED ON BEHALF OF THE BOARD:

"Faizaan Lalani"

Director

"Charles Hugh Maddin"

Director

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS

**MEDARO MINING CORP.****CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**

For the three and nine months ended June 30, 2021

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

	<b>For the three months ended June 30, 2021</b>	<b>For the nine months ended June 30, 2021</b>
Administrative expenses		
Consulting fees (Note 7)	\$ 57,111	\$ 88,778
Exploration expenditures	-	15,000
Filing fees	1,419	31,784
Marketing and development	92,250	92,250
Office and general	1,104	2,326
Professional fees	35,121	68,319
Net loss and comprehensive loss for the period	\$ (187,005)	\$ (298,457)
Basic and diluted loss per share	\$ (0.00)	\$ (0.00)
Weighted average number of common shares outstanding	31,702,176	27,250,340

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS

**MEDARO MINING CORP.****CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

For the nine months ended June 30, 2021 and for the period ended September 30, 2020

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

	Number of Shares	Capital Stock	Special Warrants	Reserve	Share Subscriptions Received	Deficit	Total Shareholders' Equity
Balance, June 19, 2020 (incorporation)	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Incorporation share	1	-	-	-	-	-	-
Balance, June 30, 2020	1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance, September 30, 2020	24,999,961	754,998	-	-	114,550	(89,178)	780,370
Issuance of Special Warrants (Note 6)	-	-	347,550	-	(114,550)	-	233,000
Conversion of Special Warrants (Note 6)	3,475,500	173,775	(347,550)	173,775	-	-	-
Private placement (Note 6)	7,319,779	3,220,703	-	-	-	-	3,220,703
Shares issued for CYR South Lithium					-		
Property option (Notes 5, 6)	250,000	175,000	-	-	-	-	175,000
Shares issued for exercised warrants	155,000	38,750	-	(7,750)	-	-	31,000
Share issuance costs	-	(411,334)	-	231,032	-	-	(180,302)
Net loss for the period	-	-	-	-	-	(298,457)	(298,457)
Balance, June 30, 2021	36,200,240	\$ 3,951,892	\$ -	\$ 397,057	\$ -	\$ (387,635)	\$ 3,961,314

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS

**MEDARO MINING CORP.**  
**CONDENSED INTERIM STATEMENTS OF CASH FLOWS**  
For the nine months ended June 30, 2021  
(Expressed in Canadian Dollars)  
(Unaudited – Prepared by Management)

	<b>For the nine months ended June 30, 2021</b>
Operating Activities	
Net loss for the period	\$ (298,457)
Changes in non-cash working capital items related to operations:	
Accounts receivable	(38,054)
Prepaid expenses	(630,517)
Accounts payable and accrued liabilities	111,011
Cash used in operating activities	(856,017)
Investing Activity	
Exploration and evaluation asset	(70,000)
Cash used in investing activity	(70,000)
Financing Activity	
Proceeds from Special Warrant issuance	233,000
Proceeds from private placement	3,220,703
Share issuance costs	(180,302)
Proceeds from warrant exercise	31,000
Cash provided by financing activity	3,304,401
Change in cash during the period	2,378,384
Cash, beginning of period	783,012
Cash, end of the period	\$ 3,161,396
Supplemental Disclosure of Cash Flow Information:	
Cash paid during the period:	
Interest	\$ -
Income taxes	\$ -
Non-cash transactions:	
Shares issued for exploration and evaluation asset	\$ 175,000
Warrants issued for share issuance costs	\$ 231,032

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS

## **MEDARO MINING CORP.**

### **Notes to the Condensed Interim Financial Statements**

June 30, 2021

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

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#### **1. CORPORATE INFORMATION**

The Company was incorporated on June 19, 2020 in British Columbia. The registered and records office and head office of the Company is located at 409 Granville Street, Suite 1000, Vancouver, British Columbia, Canada, V6C 1T2.

On March 24, 2021, the Company received a receipt from the British Columbia Securities Commission for its long-form prospectus dated March 24, 2021, was listed on April 6, 2021 and commenced trading on the Canadian Securities Exchange (“CSE”) on April 7, 2021 under the trading symbol “MEDA”.

The Company is in the business of acquiring, exploring, and evaluating mineral resource properties in Canada.

#### **2. BASIS OF PREPARATION**

##### **(a) Statement of Compliance**

These condensed interim financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”), Interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”) and in accordance with International Accounting Standard (“IAS”) 34 Interim Financial Reporting. Accordingly, certain disclosures required in annual financial statements have been condensed or omitted. It is therefore recommended that these condensed consolidated interim financial statements be read in conjunction with the most recent audited financial statements of the Company as at December 31, 2020 and September 30, 2020.

These condensed interim financial statements were authorized for issue by the Board of Directors on August 30, 2021.

##### **(b) Basis of Measurement**

These condensed interim financial statements have been prepared on a historical cost basis and are presented in Canadian dollars which is the functional currency of the Company. All amounts are rounded to the nearest dollar. The condensed interim financial statements of the Company have been prepared on an accrual basis, except for cash flow information.

##### **(c) Going Concern**

These condensed interim financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations.

The Company has not generated revenue from operations. The Company incurred a loss of \$298,457 for the nine months ended June 30, 2021 and as of that date the Company’s accumulated deficit was \$387,635 (September 30, 2020 - \$89,178). The Company’s continuation as a going concern is contingent on the completion of financings to adequately cover the Company’s working capital deficit and planned exploration activities. As the Company is in the exploration stage, the recoverability of the costs incurred to date on exploration properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financial resources to complete the exploration and development of its properties and upon future profitable production or proceeds from the disposition of the properties and deferred exploration expenditures. The Company will periodically have to raise funds to continue operations

**MEDARO MINING CORP.**

Notes to the Condensed Interim Financial Statements

June 30, 2021

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

**2. BASIS OF PREPARATION – (cont'd)****(c) Going Concern – (cont'd)**

and, although it has been successful in doing so in the past, there is no assurance it will be able to do so in the future. These factors comprise a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. These condensed interim financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate.

**COVID-19**

In March of 2020, the World Health Organization declared an outbreak of COVID-19 Global pandemic. The COVID-19 has impacted vast array of businesses through the restrictions put in place by most governments internationally, including the Canadian federal government as well as provincial and municipal governments, regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown to what extent the impact of the COVID-19 outbreak may have on the Company as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place world-wide to fight the virus. While the extent of the impact is unknown, the COVID-19 outbreak may hinder the Company's ability to raise financing for exploration or operating costs due to uncertain capital markets, supply chain disruptions, increased government regulations and other unanticipated factors, all of which may also negatively impact the Company's business and financial condition.

**3. SIGNIFICANT ACCOUNTING POLICIES**

The preparation of financial data is based on accounting principles and practices consistent with those used in the preparation of the audited financial statements as at December 31, 2020 and September 30, 2020.

**Accounting standards and amendments**

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any new standards and determined that there are no standards that are relevant to the Company.

**4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS**

The preparation of the Company's condensed interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the condensed interim financial statements and reported amounts of income and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

**MEDARO MINING CORP.**

Notes to the Condensed Interim Financial Statements

June 30, 2021

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

**4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS – (cont'd)**

In preparing these condensed interim financial statements, the significant estimates and critical judgements were the same as those applied to the audited financial statements as at December 31, 2020 and September 30, 2020 with the following exception:

- Share-based transactions are measured by reference to the fair value of the equity instruments. Estimating fair value for share-based transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining and making assumptions about the most appropriate inputs to the valuation model including the expected life, volatility, risk-free interest rate, expected forfeiture rate and dividend yield of the instrument.
- The Company measures equity instruments issued for the acquisition its mineral property based on the closing price of the Company's shares on the date of issuance.

**5. EXPLORATION AND EVALUATION ASSETS**

The following table represents expenditures incurred on the exploration and evaluation asset during the nine months ended June 30, 2021:

	<b>Superb Lake Property</b>	<b>CYR South Lithium Property</b>	<b>Total</b>
Balance at September 30, 2020	\$ -	\$ -	\$ -
Option payments – cash	40,000	30,000	70,000
Option payments – shares issued	-	175,000	175,000
Balance at June 30, 2021	\$ 40,000	\$ 205,000	\$ 245,000

**Superb Lake Property**

On September 11, 2020 (the “Effective Date”), the Company obtained an option to acquire up to a 100% interest in the Superb Lake Property. This property consists of 8 mining claims and is located in the Thunder Bay Mining District, Northwestern Ontario. As consideration, the Company must make total cash payments of \$165,000, issue 750,000 common shares of the Company and incur \$370,000 in exploration expenditures as follows:

	<b>Cash</b>	<b>Common shares</b>	<b>Aggregate exploration expenditures</b>
	<b>\$</b>	<b>#</b>	<b>\$</b>
Within seven days of signing on the Effective Date (paid)	40,000	-	-
Within one year of the Effective Date	-	-	120,000
Within one year of the date on which the Company's shares become listed on the CSE (April 6, 2021, the “Listing Date”)	50,000	250,000	-
Within two years of the Effective Date	75,000	-	250,000
Within two years of the Listing Date	-	500,000	-
Total	165,000	750,000	370,000

**MEDARO MINING CORP.**

Notes to the Condensed Interim Financial Statements

June 30, 2021

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

**5. EXPLORATION AND EVALUATION ASSETS – (cont'd)**

Should the Company acquire 100% of the property, the optionor will retain a 3% net smelter return royalty ("NSR Royalty"). The Company may request a right to purchase from the optionor 1% NSR Royalty for \$1,000,000 thereby reducing the NSR Royalty held to 2%.

**CYR South Lithium Property**

On April 13, 2021 (the "Effective Date"), the Company obtained an option to acquire up to a 100% interest in the CYR South lithium property located in James Bay area of Quebec. The CYR south lithium property consists of 52 mineral claims for a total of 2,748 hectares. As consideration, the Company agrees to pay the optionor cash of \$30,000, issue 250,000 common shares of the Company and incur \$250,000 in exploration expenditures as follows:

	Cash	Common shares	Aggregate exploration expenditures
	\$	#	\$
Within five days of signing on the Effective Date (paid)	30,000	-	-
Subject to a pooling agreement providing for the release of the shares 8 months after the Company's shares become DTC eligible (issued with a fair value of \$175,000)	-	250,000	-
Within one year of the Effective Date	-	-	250,000
Total	30,000	250,000	250,000

Should the Company acquire 100% of the property, the optionor will retain a 3% net smelter return royalty ("NSR Royalty"). The Company may request a right to purchase from the optionor 1% NSR Royalty for \$1,000,000 thereby reducing the NSR Royalty held to 2%.

**6. SHARE CAPITAL****(a) Authorized**

Unlimited common shares with no par value.

**(b) Issued**

For the nine months ended June 30, 2021:

On March 31, 2021, the Company issued 3,475,500 common shares and 3,475,000 share purchase warrants as a result of the conversion of Special Warrants. \$173,775 was allocated to the common shares and \$173,775 was allocated to the warrants.

On April 21, 2021, the Company issued 250,000 common shares with a fair value of \$175,000 in accordance with the CYR South Lithium Property option (Note 5).

On May 25, 2021, the Company completed a private placement (the "Private Placement") of 7,319,779 units (each, a "Unit") at a price of \$0.44 per Unit, for gross proceeds of \$3,220,703. Each Unit consists of one common share and one-half common share purchase warrant, with each whole warrant being exercisable at a price of \$0.55 for a period of twelve months from issuance. All proceeds received were allocated to the common shares. The Company paid finders' fees of \$180,302 and issued 409,787 finders' warrants with a fair



**MEDARO MINING CORP.**

## Notes to the Condensed Interim Financial Statements

June 30, 2021

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

**6. SHARE CAPITAL – (cont'd)**

value of \$231,032 to eligible parties who introduced subscribers to the Private Placement. All securities issued in connection with the Private Placement will be subject to a four-month and one-day statutory hold in accordance with applicable securities laws. No fair value was allocated to the attached warrants

During the nine months ended June 30, 2021, the Company issued 155,000 common shares as a result of the exercise of share purchase warrants at the exercise price of \$0.20 per warrant for gross proceeds of \$31,000.

**(c) Special Warrants**

On November 13, 2020, the Company issued an aggregate of 3,475,500 special warrants (each, a “Special Warrant”) at a price of \$0.10 per Special Warrant for gross proceeds of \$347,550 of which \$114,550 was included in share subscriptions received at September 30, 2020. Each Special Warrant entitles the holder to acquire, without further payment, one unit (a “Special Warrant Unit”). Each Special Warrant Unit is comprised of one common share of the Company and one warrant, exercisable into one common share of the Company at an exercise price of \$0.20 for two years from the date the Company’s shares commence trading on the CSE. Each Special Warrant automatically converts at 5:00 p.m. (Vancouver time) on the date that is the earlier of: (a) the third business day after the date on which a receipt for a final prospectus to qualify for distribution the Units is received by the Company from the British Columbia Securities Commission; and (b) one year from the issuance date. On March 31, 2021, 3,475,500 special warrants were converted into 3,475,500 Special Warrant Units as described above.

**(d) Share Purchase Warrants**

On March 31, 2021, the Company issued 3,475,000 share purchase warrants as a result of the conversion of Special Warrants. Each warrant is exercisable at a price of \$0.20 expiring on March 31, 2023. During the nine months ended June 30, 2021, 155,000 of these warrants were exercised.

On May 25, 2021, the Company issued 3,659,891 share purchase warrants in connection with its Private Placement. Each warrant is exercisable at a price of \$0.55 expiring on May 25, 2022. An additional 409,787 finders’ warrants were issued in connection with the Private Placement under the same terms. These warrants have a fair value of \$231,032 which has been recorded to reserves as a share issuance cost as determined by using the Black Scholes method using the following assumptions:

Fair value of warrants issued	\$0.56
Risk-free interest rate	0.30%
Estimated life	1 year
Expected volatility	230.34%
Expected dividend yield	0.00%
Forfeiture rate	0.00%

The changes in share purchase warrants are summarized as follows:

	Number	Weighted Average Exercise Price
Balance on June 19, 2020 and September 30, 2020	-	\$ -
Issued	7,545,177	0.39
Exercised	(155,000)	0.20
Balance on June 30, 2021	7,390,177	\$ 0.39

## **MEDARO MINING CORP.**

### **Notes to the Condensed Interim Financial Statements**

June 30, 2021

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

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#### **6. SHARE CAPITAL – (cont'd)**

As at June 30, 2021, the Company had 7,390,177 share purchase warrants outstanding. Of these, 3,320,500 expire on March 31, 2023, and 4,069,677 expire on May 25, 2022. The weighted average life remaining on the share purchase warrants is 1.28 years.

##### **(e) Escrow Shares**

Pursuant to the subscription agreements pursuant to which such shares were issued by the Company, the 4,500,000 common shares issued on July 17, 2020 will be pooled for twelve months from the Listing Date. In addition, pursuant to an escrow agreement to be entered into between the Company and the holders of such shares, such shares will be placed into escrow to be released as to 10% on the Listing Date with the remaining 90% to be released in equal tranches at six-month intervals over the 36 months following the Listing Date.

#### **7. RELATED PARTY TRANSACTIONS AND BALANCES**

The following expenses were incurred with key management personnel of the Company. Key management personnel includes directors and key officers of the Company including the President, Chief Executive Officer (“CEO”), and Chief Financial Officer (“CFO”). During the three and nine months ended June 30, 2021, remuneration of directors and officers was as follows:

	<b>For the nine months ended June 30, 2021</b>
Consulting fees	\$ 10,833

As at June 30, 2021 and September 30, 2020, there were no balances owing to related parties.

#### **8. CAPITAL MANAGEMENT**

The Company manages its capital structure and makes adjustments to it to effectively support the acquisition of mineral exploration properties. In the definition of capital, the Company includes, as disclosed on its statement of financial position: share capital and deficit.

The Company is dependent on external financing to fund its activities. In order to carry out the planned development and acquisitions and pay for general administrative costs, the Company will be using its existing working capital and will raise additional amounts as needed. The Company will continue to acquire and explore mineral exploration properties if it feels there is sufficient economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company’s approach to capital management during the nine months ended June 30, 2021. The Company is not subject to externally imposed capital requirements and does not have exposure to asset-backed commercial paper or similar products.

## **MEDARO MINING CORP.**

Notes to the Condensed Interim Financial Statements

June 30, 2021

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

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### **9. FINANCIAL INSTRUMENTS AND RISKS**

The Company classifies its fair value measurements in accordance with the three-level fair value hierarchy as follows:

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities; and

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's financial instruments include cash, receivables, and accounts payable and accrued liabilities. The carrying amounts of these financial instruments are a reasonable estimate of their fair values because of their current nature. It is impractical to determine the fair value of these financial instruments with sufficient reliability due to the nature of these financial instruments, the absence of secondary market and the significant cost of obtaining external appraisals. The fair value of these financial instruments approximates their carrying value under the effective interest method.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them.

### **10. SUBSEQUENT EVENTS**

#### Joint Venture Agreement

On June 30<sup>th</sup>, 2021, the Company entered into a Joint Venture (the "JV Agreement") with Dr. James G. Blencoe, PhD of Tenenese, with respect to the operation of a joint venture (the "Joint Venture") to develop and commercialize a new, low-cost process for extracting lithium from spodumene concentrate. The Joint Venture will be operated through Global Lithium, a new corporation that was formed for this purpose.

Pursuant to the JV Agreement, Dr. Blencoe will contribute his and his related companies' intellectual property, personnel, laboratory facilities and services to the Joint Venture and Medaro will fund the research and develop costs of the Joint Venture through (i) the contribution of US\$500,000 over the first ten months of the Joint Venture and (ii) the contribution of US\$3,000,000 towards commission of a pre-commercial facility for the large-scale testing and implementation of the Technology. Medaro will acquire an ownership interest in Global Lithium in stages, as certain cash contribution are made, as the Joint Venture achieves certain operational and research milestone, and upon Medaro issuing up to an aggregate of 1,850,000 common shares of Medaro to Dr. Blencoe. Once Medaro owns 80% of Global Lithium's shares and the Technology has been completed, Medaro will be entitled to acquire remaining 20% interest in the Global Lithium from Dr. Blencoe for US\$10,000,000.

To date, the Company has contributed a total of US\$15,000 to Dr. Blencoe for him to commence work while the initial earn-in is being completed.

#### Private Placement

On July 12, 2021, the Company completed a private placement (the "July Private Placement") of 3,169,568 units at a price of \$0.65 per unit, for gross proceeds of \$2,060,219. Each unit consists of one common share and one-half common share purchase warrant, with each whole warrant being exercisable at a price of \$0.85 for a period of twelve months from issuance.

**MEDARO MINING CORP.**

Notes to the Condensed Interim Financial Statements

June 30, 2021

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

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**10. SUBSEQUENT EVENTS – (cont'd)**

In connection with the July Private Placement, the Company paid finders' fees of \$128,032 and issued 196,973 finders' warrants. All securities issued in connection with the Private Placement will be subject to a four-month and one-day statutory hold in accordance with applicable securities laws.

Stock Option Grant

On August 6, 2021, the Company granted an aggregate of 290,000 restricted share units (the "RSUs") and issued an aggregate of 450,000 stock options (the "Options"), each exercisable at \$1.29 per share until August 5, 2023, to directors, officers and advisors of the Company in accordance with the Company's equity incentive plan. The RSUs and Options will vest four months from issuance.

Share Issuances

Subsequent to June 30, 2021, the Company issued 587,500 common shares as a result of the exercise of share purchase warrants at an exercise price of \$0.20 for gross proceeds of \$117,500.

Schedule "B"

**MEDARO MINING CORP.**

**INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS**

For the nine months ended June 30, 2021

August 30, 2021

**Medaro Mining Corp.**

Management Discussion's and Analysis

For the nine months ended June 30, 2021

Dated: August 30, 2021

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*The following Management's Discussion and Analysis ("MD&A") is prepared as at August 30, 2021 in accordance with National Instrument 51-102F1, and should be read together with the condensed interim financial statements for the nine months ended June 30, 2021 and related notes and the audited financial statements as at December 31, 2020 and September 30, 2020 and related notes, which are prepared in accordance with International Financial Reporting Standards ("IFRS"). The Company's fiscal year end is September 30. Additional information regarding the Company will be available through the SEDAR website at [www.sedar.com](http://www.sedar.com).*

*All dollar figures are stated in Canadian dollars unless otherwise indicated.*

**Forward Looking Information**

Certain information included in this MD&A may constitute forward-looking statements. Statements in this report that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements.

Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of the Company may differ materially from those reflected in forward-looking statements due to a variety of risks, uncertainties and other factors. The Company's forward-looking statements are based on the beliefs, expectations and opinions of management on the date the statements are made, and the Company does not assume any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change except as required by law. For the reasons set forth above, investors should not place undue reliance on forward-looking statements.

The Company's forward-looking statements are based on the Company's beliefs and assumptions, which are based on information available at the time these assumptions are made. The forward looking statements contained herein are as of August 30th, 2021, and are subject to change after this date, and the Company assumes no obligation to publicly update or revise the statements to reflect new events or circumstances, except as may be required pursuant to applicable laws. Although management believes that the expectations represented by such forward-looking information or statements are reasonable, there is significant risk that the forward-looking information, or statements, may not be achieved and that the assumptions underlying such information or statements will not prove to be accurate.

Actual results or events could differ materially from the plans, intentions and expectations expressed or implied in any forward-looking information or statements, as a result of numerous risks, uncertainties and other factors such as those described above and in "Risks and Uncertainties" below. The Company has no policy for updating forward-looking information beyond the procedures required under applicable securities laws.

**The Company's Business**

Medaro Mining Corp. ("Medaro" or the "Company") was incorporated on June 19, 2020 in British Columbia. The registered and records office and head office of the Company is located at 409 Granville Street, Suite 1000, Vancouver, British Columbia, Canada, V6C 1T2. Medaro is in the business of acquiring, exploring, and evaluating mineral resource properties in Canada.

The Company received a receipt from the British Columbia Securities Commission for its long-form prospectus on March 24, 2011, was listed on April 6, 2021, and commenced trading on the Canadian Securities Exchange ("CSE") on April 7, 2021 under the trading symbol "MEDA".

**Medaro Mining Corp.**

## Management Discussion's and Analysis

For the nine months ended June 30, 2021

Dated: August 30, 2021

Superb Lake Property

On September 11, 2020 (the "Effective Date"), the Company obtained an option to acquire up to a 100% interest in the Superb Lake Property. This property consists of 8 mining claims and is located in the Thunder Bay Mining District, Northwestern Ontario. As consideration, the Company must make total cash payments of \$165,000, issue 750,000 common shares of the Company and incur \$370,000 in exploration expenditures as follows:

	<b>Cash</b> <b>\$</b>	<b>Common</b> <b>shares</b> <b>#</b>	<b>Aggregate</b> <b>exploration</b> <b>expenditures</b> <b>\$</b>
Within seven days of signing on the Effective Date; <i>(paid)</i>	40,000	-	-
Within one year of the Effective Date	-	-	120,000
Within one year of the date on which the Company's shares become listed on the CSE (April 6, 2021, the "Listing Date")	50,000	250,000	
Within two years of the Effective Date	75,000	-	250,000
Within two years of the Listing Date;	-	500,000	-
<b>Total</b>	<b>165,000</b>	<b>750,000</b>	<b>370,000</b>

Should the Company acquire 100% of the property, the optionor will retain a 3% net smelter return royalty ("NSR Royalty"). The Company may request a right to purchase from the optionor 1% NSR Royalty for \$1,000,000 thereby reducing the NSR Royalty held to 2%.

The Superb Lake Property program will take place in two stages across two exploration work areas (see map below). The first stage will include ground magnetic / VLF survey and soil geochemistry work in the areas adjacent to the pegmatites found and associated granitic intrusions along the strike. The second stage will consist of trenching and channel sampling work along the strike extension of the Superb Lake pegmatites. The soil and rock sampling and ground geophysical survey work will commence right away with the channel sampling and drilling component to commence by late August or early September 2021 depending upon permitting. Fieldwork is expected to be completed by mid to late October 2021.

**Work Area 1**

This area represents historical Superb Lake lithium occurrences where previous work indicated lithium values in the range of 1.77 to 4.03% lithium oxide (Li<sub>2</sub>O). In addition to the Company's planned prospecting, sampling and geophysical survey work in this area, the area will be a main target of follow up trenching, channel sampling and diamond drilling work.

**Work Area 2**

This area is in the western strike extension of the known pegmatite with similar geological setting, being located within a close distance of the granitic intrusion in the basement rocks. This area will be the secondary target for exploration, with work to include prospecting, sampling (rock and soil), and ground geophysical surveying.

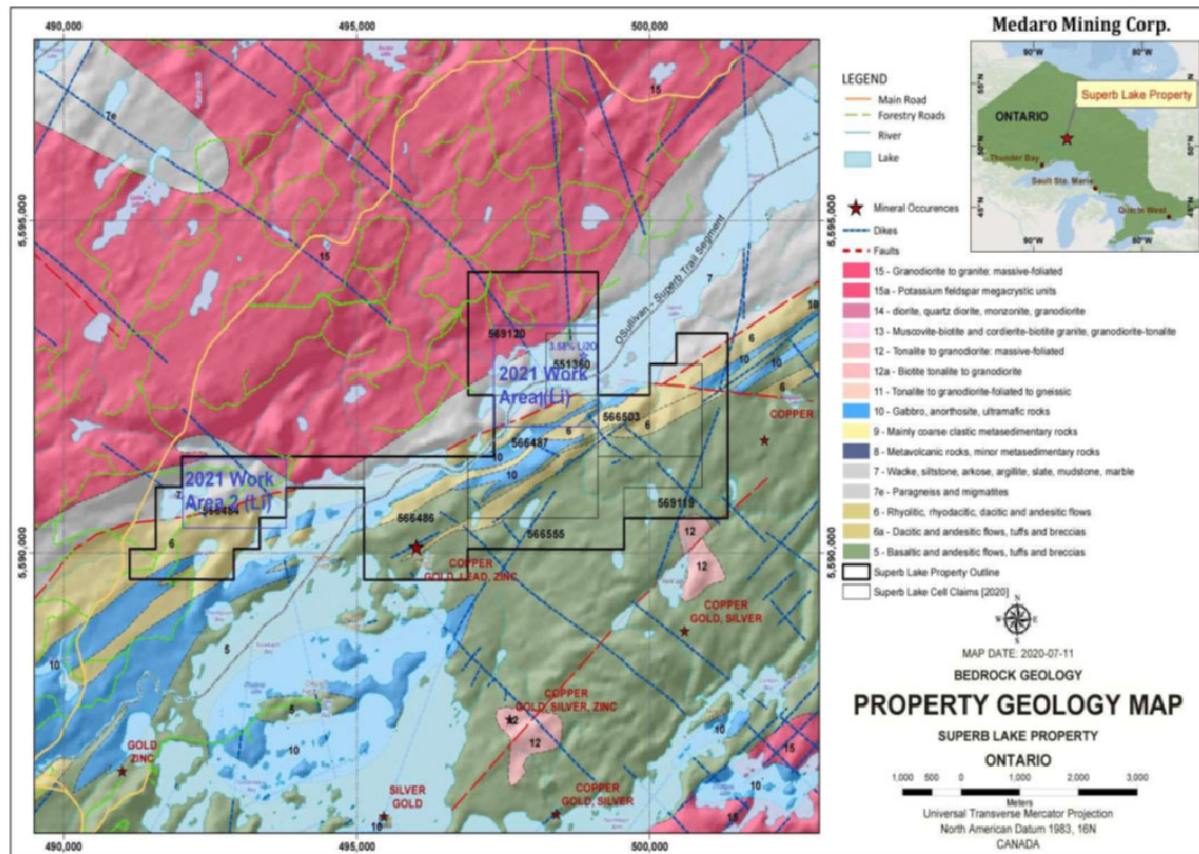


## Medaro Mining Corp.

Management Discussion's and Analysis

For the nine months ended June 30, 2021

Dated: August 30, 2021



Superb Lake Property work area map

**Medaro Mining Corp.**

## Management Discussion's and Analysis

For the nine months ended June 30, 2021

Dated: August 30, 2021

CYR South Lithium Property

On April 13, 2021 (the "Effective Date"), the Company obtained an option to acquire up to a 100% interest in the CYR South Lithium Property located in James Bay area of Quebec. The CYR south lithium property consists of 52 mineral claims for a total of 2,748 hectares. Work undertaken on the Property by previous operators has identified several pegmatites and surface sampling has indicated anomalous lithium, niobium and tantalum values.

As consideration, the Company agrees to pay the optionor cash of \$30,000, issue 250,000 common shares of the Company and incur \$250,000 in exploration expenditures as follows:

	<b>Cash</b> <b>\$</b>	<b>Common</b> <b>shares</b> <b>#</b>	<b>Aggregate</b> <b>exploration</b> <b>expenditures</b> <b>\$</b>
Within five days of signing on the Effective Date ( <i>paid</i> )	30,000	-	-
Subject to a pooling agreement providing for the release of the shares 8 months after the Company's shares become DTC eligible ( <i>issued</i> )	-	250,000	-
Within one year of the Effective Date	-	-	250,000
<b>Total</b>	<b>30,000</b>	<b>250,000</b>	<b>250,000</b>

Should the Company acquire 100% of the property, the optionor will retain a 3% net smelter return royalty ("NSR Royalty"). The Company may request a right to purchase from the optionor 1% NSR Royalty for \$1,000,000 thereby reducing the NSR Royalty held to 2%.

The CYR South Lithium Property program will take place in two stages across two exploration work areas (see map below). The first stage will consist of ground soil and rock sampling and geological mapping, aimed at sampling, mapping and identifying a group of pegmatites for their potential to host lithium mineralization. The second stage will consist of a ground geophysical survey aimed at lithium and rare metals exploration.

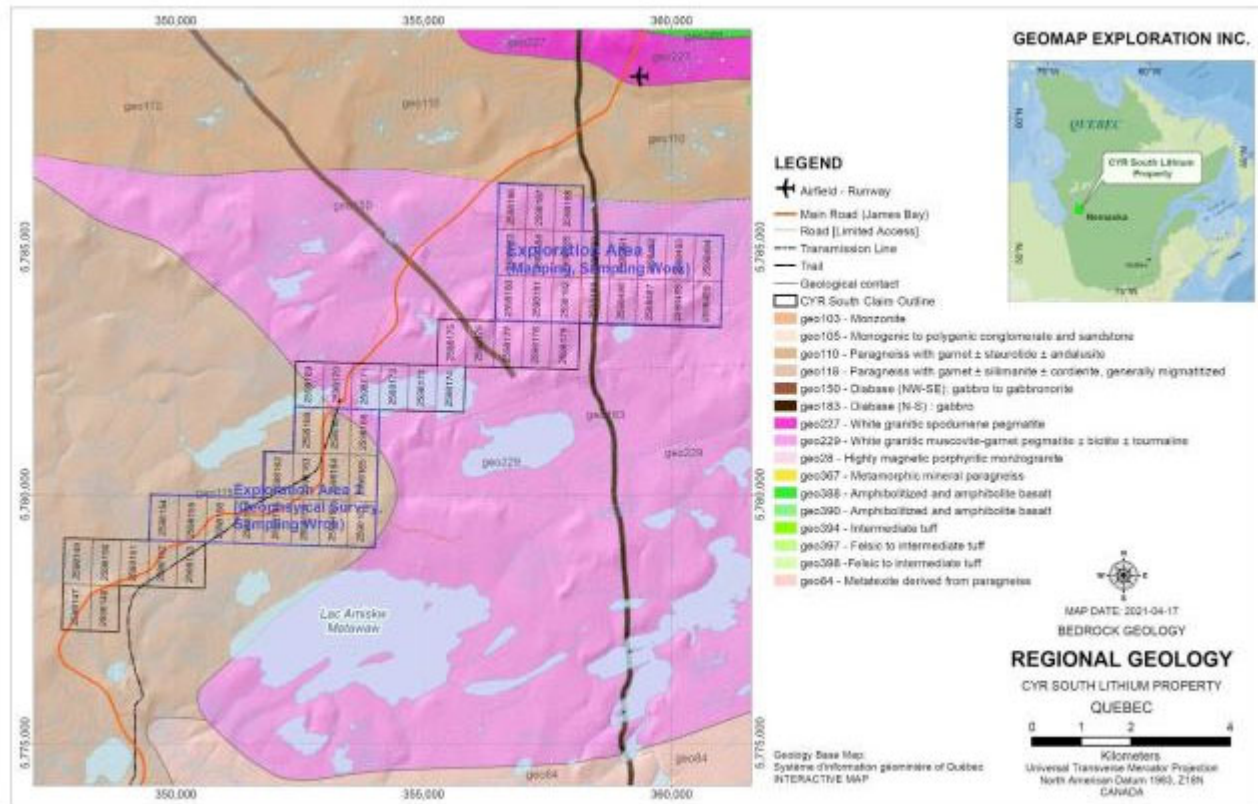
The soil and rock sampling and geological mapping work has commenced and the ground geophysical work is expected to commence in September and take three to four weeks. Once assays have been received from the laboratories (expected in mid- to late November 2021), a 43-101F1 technical report will be prepared respecting the Property.

## Medaro Mining Corp.

Management Discussion's and Analysis

For the nine months ended June 30, 2021

Dated: August 30, 2021



CYR South Lithium Property work area map

**Medaro Mining Corp.**

## Management Discussion's and Analysis

For the nine months ended June 30, 2021

Dated: August 30, 2021

Global Lithium Joint Venture

On June 30th, 2021, the Company entered into a Joint Venture (the "JV Agreement") with Dr. James G. Blencoe, PhD of Tenenese, with respect to the operation of a joint venture (the "Joint Venture") to develop and commercialize a new, low-cost process for extracting lithium from spodumene concentrate. The Joint Venture will be operated through Global Lithium, a new corporation that was formed for this purpose.

Pursuant to the JV Agreement, Dr. Blencoe will contribute his and his related companies' intellectual property, personnel, laboratory facilities and services to the Joint Venture and Medaro will fund the research and develop costs of the Joint Venture through (i) the contribution of US\$500,000 over the first ten months of the Joint Venture and (ii) the contribution of US\$3,000,000 towards commission of a pre-commercial facility for the large-scale testing and implementation of the Technology. Medaro will acquire an ownership interest in Global Lithium in stages, as certain cash contribution are made, as the Joint Venture achieves certain operational and research milestone, and upon Medaro issuing up to an aggregate of 1,850,000 common shares of Medaro to Dr. Blencoe. Once Medaro owns 80% of Global Lithium's shares and the Technology has been completed, Medaro will be entitled to acquire remaining 20% interest in the Global Lithium from Dr. Blencoe for US\$10,000,000.

To the date of this MD&A, the Company has contributed a total of US\$15,000 to Dr. Blencoe for him to commence work while the initial earn-in is being completed.

Global Lithium has focused on several key items, with the first being the construction of a small laboratory facility in Kingston, Tennessee (the "Laboratory"). The Laboratory is over 60% built with completion anticipated to be in September 2021. Once complete, the Laboratory will be the primary location for all testing during the initial phase of the joint venture.

Global Lithium has been purchasing materials and equipment to assist with its test-tube scale development of the Technology. Specifically, chemicals that will be used for process reaction experiments have already been ordered and equipment, including small pressure vessels and glass reactors, are currently being custom designed and fabricated in preparation for the commencement of testing by September 2021. The Company will also be sending rock samples from its Superb Lake Property and CYR South Lithium Property to the Laboratory for processing and preliminary extraction experimentation.

**Selected Quarterly Financial Information**

A summary of results for the five quarters since incorporation follows:

	Three months ended June 30, 2021	Three months ended March 31 2021	Three months ended December 31, 2020	Three months ended September 30, 2020	Period from incorporation, June 19, 2020 to June 30, 2020
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Net loss	\$ 187,005	\$ 34,084	\$ 77,368	\$ 89,178	\$ -
Comprehensive loss	\$ 187,005	\$ 34,084	\$ 77,368	\$ 89,178	\$ -
Loss per share <sup>(1)</sup>	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.01	\$ -

The Company was incorporated on June 19, 2020 and the quarter ended June 30, 2020 was the Company's first fiscal quarter reported, during which the Company was inactive. During the three months ended September 30, 2020, the Company recorded a net loss of \$89,178, which included legal

**Medaro Mining Corp.****Management Discussion's and Analysis**

For the nine months ended June 30, 2021

Dated: August 30, 2021

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fees incurred in connection with the setup of the Company and preparation of its preliminary prospectus and share-based payment, which was recorded in conjunction with the July 17, 2020 private placement.

During the three months ended December 31, 2020, the Company recorded a net loss of \$77,368 which is comparable to the net loss of \$89,178 for the previous quarter.

During the three months ended March 31, 2021, the Company recorded a net loss of \$34,084 as compared to \$77,368 for the previous quarter as the Company had fewer activities during the quarter.

During the three months ended June 30, 2021, the Company recorded a net loss of \$187,005 as compared to \$34,084 for the previous quarter. The increase is due to the Company's increased spending for marketing and development expenses. This is the first quarter in which the Company has actively spent money in this area. The primary costs were in relation to brand development.

**Results of Operations***For the three months ended June 30, 2021*

During the three months ended June 30, 2021, the Company incurred a net loss of \$187,005. There are no comparative figures as the Company was incorporated on June 19, 2020 and only began incurring expenses in the 4<sup>th</sup> quarter of 2020. The net loss during the period is largely attributed to costs associated with marketing and brand development, and consulting, administrative services, and professional fees for ongoing operations.

*For the nine months ended June 30, 2021*

During the nine months ended June 30, 2021, the Company incurred a net loss of \$298,457. There are no comparative figures as the Company was incorporated on June 19, 2020 and only began incurring expenses in the 4<sup>th</sup> quarter of 2020. The net loss in the period is largely attributed to professional and filing fees associated with the preparation of the preliminary prospectus which the Company received receipt from the securities on March 26, 2021. The Company also incurred costs associated with marketing and brand development, exploration expenditures, consulting fees, and professional fees for ongoing operations.

**Liquidity and Capital Resources**

At June 30, 2021, the Company has cash of \$3,161,396 (September 30, 2020 - \$783,012) and working capital of \$3,716,314 (September 30, 2020 - \$780,370). Total assets as at June 30, 2021 was \$4,063,950 (September 30, 2020 - \$791,995).

Although the current capital resources are sufficient to pay overhead expenses for the next twelve months, the Company is in the process of raising additional funding to fund current and future exploration programs. The Company will continue to monitor the economic and financial market conditions and evaluate the impact on the Company's liquidity and future prospects.

Since the Company may not be able to generate cash from its operations in the foreseeable future, the Company will have to rely on the issuance of shares or the exercise of options and warrants to fund ongoing operations and investment. The ability of the Company to raise capital will depend on market conditions and it may not be possible for the Company to issue shares on acceptable terms or at all.

**Medaro Mining Corp.****Management Discussion's and Analysis**

For the nine months ended June 30, 2021

Dated: August 30, 2021

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**Equity Transactions**

On November 13, 2020, the Company issued an aggregate of 3,475,500 special warrants (each, a "Special Warrant") at a price of \$0.10 per Special Warrant and received gross proceeds of \$347,550. Each Special Warrant entitles the holder to acquire, without further payment, one unit (a "Unit"). Each Unit is comprised of one common share of the Company and one warrant, exercisable into one common share of the Company at an exercise price of \$0.20 for two years from the date the Company's shares commence trading on the CSE. Each Special Warrant will automatically convert at 5:00 p.m. (Vancouver time) on the date that is the earlier of: (a) the third business day after the date on which a receipt for a final prospectus to qualify for distribution the Units is received by the Company from the British Columbia Securities Commission; and (b) one year from the issuance date. On March 31, 2021, the Company issued 3,475,500 common shares as a result of the conversion of Special Warrants.

On May 25, 2021, the Company completed a private placement (the "May Private Placement") of 7,319,779 units (each, a "Unit") at a price of \$0.44 per Unit, for gross proceeds of \$3,220,703. Each Unit consists of one common share and one-half common share purchase warrant, with each whole warrant being exercisable at a price of \$0.55 for a period of twelve months from issuance. The Company paid finders' fees of \$180,306 and issued 409,787 finders' warrants to eligible parties who introduced subscribers to the Private Placement. All securities issued in connection with the Private Placement will be subject to a four-month and one-day statutory hold in accordance with applicable securities laws.

On July 12, 2021, the Company completed a private placement (the "July Private Placement") of 3,169,568 units (each, a "Unit") at a price of \$0.65 per Unit, for gross proceeds of \$2,060,219. Each Unit consists of one common share and one-half common share purchase warrant, with each whole warrant being exercisable at a price of \$0.85 for a period of twelve months from issuance. In connection with the July Private Placement, the Company paid finders' fees of CDN \$128,032 and issued 196,973 finders' warrants. All securities issued in connection with the Private Placement will be subject to a four-month and one-day statutory hold in accordance with applicable securities laws.

Since June 30, 2021, the Company has also issued 587,500 common shares as a result of the exercise of share purchase warrants for gross proceeds of \$117,500.

The Company manages its capital structure in order to ensure sufficient resources are available to meet operational requirements and safeguard its ability to continue as a going concern. There are no externally imposed capital requirements on the Company. Capital of the Company comprises of cash and cash equivalents and shareholders' equity. The Company manages the capital structure and makes adjustments in response to changes in economic conditions, including the risk characteristics of the underlying assets. The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the operation of the Company. To secure additional capital necessary to pursue these plans, the Company intends to raise additional funds through equity or debt financing.

**Going Concern**

The Company's condensed interim financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company was not expected to continue operations for the foreseeable future. At June 30, 2021, the Company has not achieved profitable operations, has accumulated

**Medaro Mining Corp.**

## Management Discussion's and Analysis

For the nine months ended June 30, 2021

Dated: August 30, 2021

losses of \$387,635 (September 30, 2020 – \$89,178) since inception and expects to incur further losses in the development of its business. As the Company is in the exploration stage, the recoverability of the costs incurred to date on exploration properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financial resources to complete the exploration and development of its properties and upon future profitable production or proceeds from the disposition of the properties and deferred exploration expenditures. The Company will periodically have to raise funds to continue operations and, although it has been successful in doing so in the past, there is no assurance it will be able to do so in the future. These factors comprise a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern.

**Off Balance Sheet Arrangements**

In order to exercise the option agreement to acquire up to a 100% interest in the Superb Lake Property, the Company must make total cash payments of \$165,000, issue 750,000 common shares of the Company and incur \$370,000 in exploration expenditures as follows:

	<b>Cash</b> <b>\$</b>	<b>Common</b> <b>shares</b> <b>#</b>	<b>Aggregate</b> <b>exploration</b> <b>expenditures</b> <b>\$</b>
Within seven days of signing on the Effective Date; <i>(paid)</i>	40,000	-	-
Within one year of the Effective Date	-	-	120,000
Within one year of the date on which the Company's shares become listed on the CSE (April 6, 2021, the "Listing Date")	50,000	250,000	
Within two years of the Effective Date	75,000	-	250,000
Within two years of the Listing Date;	-	500,000	-
<b>Total</b>	<b>165,000</b>	<b>750,000</b>	<b>370,000</b>

**Medaro Mining Corp.**

## Management Discussion's and Analysis

For the nine months ended June 30, 2021

Dated: August 30, 2021

In addition to the above, the Company also has an option agreement acquire up to a 100% interest in the CYR South Lithium Property located in James Bay area of Quebec. To exercise that option, the Company agrees to pay the optionor cash of \$30,000, issue 250,000 common shares of the Company and incur \$250,000 in exploration expenditures as follows:

	Cash \$	Common shares #	Aggregate exploration expenditures \$
Within five days of signing on the Effective Date ( <i>paid</i> )	30,000	-	-
Subject to a pooling agreement providing for the release of the shares 8 months after the Company's shares become DTC eligible ( <i>issued</i> )	-	250,000	-
Within one year of the Effective Date	-	-	250,000
Total	30,000	250,000	250,000

**Financial Instruments**

The Company's risk exposures and the impact on the Company's financial statements are summarized below.

*Credit risk*

Financial instruments that potentially expose the Company to credit risk is cash and cash equivalents. To minimize the credit risk on cash the Company places the instrument with a high credit quality financial institution. The maximum exposure to loss arising from these advances is equal to their total carrying amounts.

*Interest rate risk*

The Company is exposed to interest rate risk to the extent that the cash maintained at the financial institutions is subject to floating rate of interest. The interest rate risks on cash and on the Company's obligations are not considered significant.

*Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The key to success in managing liquidity is the degree of certainty in the cash flow projections.

The Company monitors its cash flows to meet the Company's normal operating requirements on an ongoing basis and its planned capital expenditures. All of the Company's financial liabilities have

contractual maturities of 30 days or are due on demand and are subject to normal trade terms. As at June 30, 2021, the Company had a working capital of \$3,716,314 (September 30, 2020 – \$780,370).



**Medaro Mining Corp.**

## Management Discussion's and Analysis

For the nine months ended June 30, 2021

Dated: August 30, 2021

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*Price risk*

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold and other precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

*Market Risk*

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, investment fluctuations, and commodity and equity prices. The Company's ability to raise capital to fund mineral resource exploration is subject to risks associated with fluctuations in mineral resource prices. Management closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

**Related Party Transactions**

Related party transactions are comprised of services rendered by directors and/or officers of the Company or by a company with a director and/or officer in common. Related party transactions are in the ordinary course of business and are measured at the exchange amount.

**Key Management Compensation**

Key management personnel includes directors and key officers of the Company including the President, Chief Executive Officer ("CEO"), and Chief Financial Officer ("CFO"). During the three and nine months ended June 30, 2021, remuneration of directors and officers was as follows:

	<b>For the three months ended June 30, 2021</b>	<b>For the nine months ended June 30, 2021</b>
Consulting fees:		
Leonard De Melt, former director	\$ -	\$ 5,833
Ireton Consulting Inc. a company controlled by Mark Ireton, director	-	5,000
	<b>\$ -</b>	<b>\$ 10,833</b>

**Medaro Mining Corp.**

Management Discussion's and Analysis

For the nine months ended June 30, 2021

Dated: August 30, 2021

**Outstanding Share Data**

Below is the summary of the Company's share capital as at June 30, 2021 and as of the date of this report:

Security description	As at	
	June 30, 2021	August 30, 2021
Common shares – issued and outstanding	36,200,240	39,957,308
Warrants	6,980,390	7,977,674
Finders warrants	409,787	606,760
Stock options	-	290,000
Restricted Share Units	-	450,000
Common shares – fully diluted	39,895,329	44,249,525

**Critical Accounting Estimates and Judgments**

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. 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. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements are discussed in note 4 to the interim condensed financial statements.

**Business and Industry Risks**

There are a number of risk factors that could cause future results to differ materially from those described herein. The following sets out the principal risks faced by the Company. Additional risks and uncertainties, including those that the Company does not know about or that it currently deems immaterial, could also adversely impact the Company's business and results of operations.

**Limited Operating History**

The Company has no history of earnings. There are no known commercial quantities of mineral reserves on any properties in which the Company has an interest. The purpose of the Special Warrants private placement was to raise funds to carry out exploration and, if thought appropriate, development with the objective of establishing economic quantities of mineral reserves. There is no guarantee that economic quantities of mineral reserves will be discovered on any properties in which the Company has an interest in the near future or at all. If the Company does not generate revenue or is unable to raise further funds, it may be unable to sustain its operations in which case it may become insolvent and investors may lose their investment.

**Speculative Nature of Mineral Exploration**

Resource exploration is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but

**Medaro Mining Corp.****Management Discussion's and Analysis**

For the nine months ended June 30, 2021

Dated: August 30, 2021

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also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be

accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which factors may result in the Company not receiving an adequate return of investment capital. There is no assurance that the Company's mineral exploration activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Company's operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

**Financing Risks**

The Company has no history of earnings and, due to the nature of its business, there can be no assurance that the Company will be profitable. The Company has paid no dividends on its shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Company is through the sale of its securities. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that may be necessary to determine whether or not a commercially mineable deposit exists on the properties owned by the Company. The Company's unallocated working capital is not sufficient to fund its recommended work program and there is no assurance that the Company can successfully obtain additional financing to fund such program.

While the Company may generate additional working capital through further equity offerings or through the sale or possible syndication of the Property, there is no assurance that any such funds will be available. If available, future equity financing may result in substantial dilution to purchasers under the Special Warrants private placement. At present it is impossible to determine what amounts of additional funds, if any, may be required.

**COVID-19 Public Health Crisis**

The Company's business, operations and financial condition could be materially and adversely affected by the outbreak of epidemics or pandemics or other health crises, including the recent outbreak of COVID-19. To date, there have been a large number of temporary business closures, quarantines and a general reduction in consumer activity in Canada. The outbreak has caused companies and various governmental bodies to impose travel, gathering and other public health restrictions. While these effects are expected to be temporary, the duration of the various disruptions to businesses locally and internationally and the related financial impact cannot be reasonably estimated at this time. Similarly, the Company cannot estimate whether or to what extent this outbreak and the potential financial impact may extend. Such public health crises can result in volatility and disruptions in the supply and demand for gold and other metals and minerals, global supply chains and financial markets, as well as declining trade and market sentiment and reduced mobility of people, all of which could affect mineral prices, interest rates, credit ratings, credit risk, share prices and inflation. The risks to the Company of such public health crises also include slowdowns or temporary suspensions of operations in locations impacted by an outbreak, interruptions to supply chains and supplies upon which the Company relies, restrictions that the Company and its contractors and subcontractors impose to ensure the safety of employees and others, increased labor costs, regulatory changes, political or economic instabilities or civil unrest.

**Medaro Mining Corp.****Management Discussion's and Analysis**

For the nine months ended June 30, 2021

Dated: August 30, 2021

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As of the date hereof, the Ontario provincial government has designated businesses engaged in mineral exploration and development as an "essential service". Provided the Company's exploration activities continue to be so designated and the current availability of labour and supplies is not materially affected by

new developments respecting COVID-19 or responses thereto, the Company expects that its personnel will be able to carry out surveying and drilling activities and complete the Phase 1 work program respecting the Property without significant delays or increases in cost.

The Company has and will continue to take measures recommended by Health Canada and applicable regulatory bodies, as appropriate. The Company implements a "work from home policy" affecting its two executive officers and has reduced travel and transitioned to virtual meetings where feasible. At this point, the extent to which COVID-19 will or may impact the Company is uncertain and these factors are beyond the Company's control; however, it is possible that COVID-19 may have a material adverse effect on the Company's business, results of operations and financial condition.

**Property Interests**

If the Company loses or abandons its interest in the Property, there is no assurance that it will be able to acquire another mineral property of merit or that such an acquisition would be approved by the Exchange. There is also no guarantee that the Exchange will approve the acquisition of any additional properties by the Company, whether by way of option or otherwise, should the Company wish to acquire any additional properties. Unless the Company acquires additional property interests, any adverse developments affecting the Property could have a material adverse effect upon the Company and would materially and adversely affect any profitability, financial performance and results of operations of the Company.

The Company is required to make cash payments to the optionor of the Property, and to incur work expenditures in order to maintain its interest in the Property. The Company's ability to maintain an interest in the Property may be dependent on its ability to raise additional funds by equity financing. Failure to obtain additional financing may result in the Company being unable to make periodic payments or expenditures required for the maintenance of the Company's interest in the Property and could result in a delay or postponement of further exploration and the partial or total loss of the Company's interest in the Property.

**Commercial Ore Deposits**

The Property is in the exploration stage only and is without a known body of commercial ore. Development of the Property would follow only if favourable exploration results are obtained. The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines.

**Uninsurable Risks**

In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. It is not always possible to fully insure against such risks and the Company may decide not to take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Company.