

## FORM 5

### **QUARTERLY LISTING STATEMENT**

Name of Listed Issuer: Slave Lake Zinc Corp (the “Issuer”).

Trading Symbol: SLZ

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

#### **General Instructions**

- (a) Prepare this Quarterly Listing Statement using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.
- (b) The term “Issuer” includes the Listed Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

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

#### **SCHEDULE A: FINANCIAL STATEMENTS**

Financial statements are required as follows:

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

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

## **SCHEDULE B: SUPPLEMENTARY INFORMATION**

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

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

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.

**With respect to related party transactions for information supplementary to that contained in the notes to the unaudited condensed interim consolidated financial statements, which are attached hereto, please refer to Management's Discussion & Analysis for the three months ended December 31, 2020, as filed with securities regulatory authorities and attached to this Form 5 - Quarterly Listing Statement and MD&A as Appendix A, and Appendix B**

## 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	Price	Total Proceeds	Type of Consideration (cash, property, etc.)	Describe relationship of Person with Issuer (indicate if Related Person)	Commission Paid
Feb 18, 2021	Convertible Debenture & Warrant	Private Placement	Note is convertible at \$0.08	Note is convertible at \$0.08	\$650,000	Cash	N/A	0
Feb 18, 2021	Warrants	Private Placement	8,125,000	Warrant exercise price is \$.15	N/A (Part of the Convertible debenture which consisted of 8,125,000 warrants and \$650k debenture convertible at .08		N/A	0

(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
Feb 22, 2021	200,000	1275192 B.C. Ltd.	Consultant	\$0.10	Feb 22, 2023	\$0.10
September 16, 2020	300,000	Timothy Maddigan	Consultant	\$0.10	September 16, 2022	\$0.12
November 2, 2020	1,200,000	Ritchie Wigham	CEO	\$0.10	November 2, 2022	\$.08
November 2, 2020	1,200,000	Glen Macdonald	Director	\$0.10	November 2, 2022	\$.08
November 2, 2020	1,200,000	Jaskarn Rai	President	\$0.10	November 2, 2022	\$.08
November 2, 2020	300,000	Peter Cummings	CFO	\$0.10	November 2, 2022	\$.08

### 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:

**For detailed information please refer to the Issuer's Condensed Interim Consolidated Financial Statements for the three months ended December 31, 2020 and the MD&A for the three months ended December 31, 2020.**

- (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,

**Authorized share capital is unlimited number of common shares without par value. As of the three months ended December 31, 2020, the Issuer has 33,494,500 common shares outstanding.**

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

Date	Number of shares Outstanding	Recorded Value of Common Shares
December 31, 2020	33,494,500	2,679,560 <sup>1</sup>

<sup>1</sup> Recorded value of common shares as at the date of the six months ended June 30, 2020 (33,494,500 x 0.08 = \$2,679,560).

- (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

	Number of Options	Exercise Price	Expiry Date
Options Issued	200,000	0.10	February 22, 2023
	300,000	0.10	September 16, 2022
	3,900,000	0.10	November 2, 2022
<b>Balance, February 26, 2021</b>	<b>4,500,000</b>		

	Number of Warrants	Exercise Price	Expiry Date
Warrants Issued	8,125,00	0.15	Oct 31, 2020
<b>Balance, February 26, 2021</b>	<b>3,097,250</b>		

### Convertible Note

An aggregate principal amount \$650,000. With a maturity date August 18, 2022 (18 months from the date of issue) with an Interest rate 5% per annum. Conversion terms: The convertible note issued is convertible into 8,125,000 common shares at a deemed price of \$0.08 per share without further payment by the holder. The holder may convert the convertible note at any time. Accrued interest may be converted into common shares at the option of the holder or Company, subject to certain conditions as stipulated in the note. Subject to certain limitations, the Issuer may convert a certain amount of the principal amount if the closing price on the Canadian Securities Exchange of the Issuer's common shares has been above \$0.20 per common share for twenty (20) consecutive trading days.

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

**During the year ended September 30, 2018 the Company entered into an escrow agreement, whereby 20,650,000 common shares were held in escrow. The escrowed securities will be released according to the following schedule:**

<b>Date</b>	<b>Quantity</b>
On the date the Company's securities are listed on a Canadian exchange (the listing date)	2,065,000
6 months after the listing date	3,097,500
12 months after the listing date	3,097,500
18 months after the listing date	3,097,500
24 months after the listing date	3,097,500
30 months after the listing date	3,097,500
36 months after the listing date	3,097,500

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.

<b>Ritchie Wigham</b>	<b>CEO &amp; Director</b>
<b>Jaskarn Rai</b>	<b>President &amp; Director</b>
<b>Peter Cummings</b>	<b>CFO</b>
<b>Glen Macdonald</b>	<b>Director</b>
<b>Max Braden</b>	<b>Director</b>

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

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

**Please Refer to 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 February 26, 2021.

Jas Rai

Name of Director or Senior Officer

"Jas Rai"

Signature

President

Official Capacity

<b>Issuer Details</b>	For Quarter Ended	Date of Report YY/MM/D
Name of Issuer		
Slave Lake Zinc Corp	Dec, 31 2020	21/02/26
Issuer Address		
207 St. Patrick's Ave		
City/Province/Postal Code	Issuer Fax No. (N/A)	Issuer Telephone No. (604) 396-5762
North Vancouver, BC V7L 3N3		
Contact Name	Contact Position	Contact Telephone No.
Jas Rai	President	(778)895-3006
Contact Email Address	Web Site Address	
<a href="mailto:jrai@zinccorp.ca">jrai@zinccorp.ca</a>	www.zinccorp.ca	

## **Appendix A**

Financial Statements Financial Statements for the interim period ended December 31, 2020  
which are dated as of February 26, 2021.



# **SLAVE LAKE ZINC CORP.**

Financial Statements

Three Months Ended December 31, 2020

(Expressed in Canadian dollars)

(unaudited)

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

Under National Instrument 51-102, "Continuous Disclosure Obligations", Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The Company's external auditors, Dale Matheson Carr-Hilton Labonte LLP, have not performed a review of these condensed financial statements.

**SLAVE LAKE ZINC CORP.**

Condensed Statements of Financial Position  
(Expressed in Canadian dollars)

	December 31, 2020 \$ (unaudited)	September 30, 2020 \$
Assets		
Current assets		
Cash	97,371	111,373
Amounts receivable	4,912	4,551
Prepaid expenses and deposits	5,000	787
Total assets	107,283	116,711
Non-current assets		
Exploration and evaluation assets (Note 3)	247,574	247,574
Total assets	354,857	364,285
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	27,249	23,298
Due to related parties (Note 4)	169,992	132,992
Total liabilities	197,241	156,290
Shareholders' equity		
Share capital	1,274,977	1,274,977
Share-based payment reserve	483,968	321,118
Deficit	(1,601,329)	(1,388,100)
Total shareholders' equity	157,616	207,995
Total liabilities and shareholders' equity	354,857	364,285

Nature of operations and continuance of business (Note 1)

Subsequent events (Note 6)

Approved and authorized for issuance by the Board of Directors on February 26, 2021:

/s/ "Ritchie Wigham"

Ritchie Wigham, Director

/s/ "Jaskarn Rai"

Jaskarn Rai, Director

(The accompanying notes are an integral part of these condensed financial statements)

**SLAVE LAKE ZINC CORP.**

Condensed Statements of Operations and Comprehensive Loss  
(Expressed in Canadian dollars)  
(unaudited)

	Three months ended December 31, 2020 \$	Three months ended December 31, 2019 \$
Expenses		
Investor relations	23	6,957
Management fees (Note 4)	41,000	41,000
Office and miscellaneous	1,288	1,441
Professional fees	3,205	5,434
Share-based compensation (Notes 4 and 5)	162,850	—
Transfer agent and filing fees	4,863	3,109
Travel	—	3,766
Total expenses	213,229	61,707
Net loss and comprehensive loss	(213,229)	(61,707)
Loss per share, basic and diluted	(0.01)	—
Weighted average common shares outstanding	33,494,500	32,894,500

(The accompanying notes are an integral part of these condensed financial statements)

**SLAVE LAKE ZINC CORP.**

Condensed Statements of Changes in Equity  
(Expressed in Canadian dollars)  
(unaudited)

	Share capital		Special warrants \$	Share-based payment reserve \$	Deficit \$	Total shareholders' equity \$
	Number of shares	Amount \$				
Balance, September 30, 2020	33,494,500	1,274,977	–	321,118	(1,388,100)	207,995
Fair value of stock options granted	–	–	–	162,850	–	162,850
Net loss for the period	–	–	–	–	(213,229)	(213,229)
Balance, December 31, 2020	33,494,500	1,274,977	–	483,968	(1,601,329)	157,616
<hr/>						
Balance, September 30, 2019	32,894,500	1,167,300	–	343,910	(1,112,338)	398,872
Net loss for the period	–	–	–	–	(61,707)	(61,707)
Balance, December 31, 2019	32,894,500	1,167,300	–	343,910	(1,174,045)	337,165

(The accompanying notes are an integral part of these condensed financial statements)

**SLAVE LAKE ZINC CORP.**

Condensed Statements of Cash Flows  
(Expressed in Canadian dollars)  
(unaudited)

	Three months ended December 31, 2020 \$	Three months ended December 31, 2019 \$
Operating activities:		
Net loss	(213,229)	(61,707)
Items not involving cash:		
Share-based compensation	162,850	—
Changes in non-cash operating working capital:		
Amounts receivable	(361)	(625)
Prepaid expenses	(4,213)	—
Accounts payable and accrued liabilities	3,951	434
Due to related parties	37,000	9,880
Net cash used in operating activities	(14,002)	(52,018)
Investing activities		
Exploration and evaluation asset expenditures	—	(8,000)
Net cash used in investing activities	—	(8,000)
Decrease in cash	(14,002)	(60,018)
Cash, beginning of period	111,373	209,924
Cash, end of period	97,371	149,906

(The accompanying notes are an integral part of these condensed financial statements)

# **SLAVE LAKE ZINC CORP.**

Notes to the Condensed Financial Statements  
Three Months Ended December 31, 2020  
(Expressed in Canadian dollars)  
(unaudited)

## **1. Nature of Operations and Continuance of Business**

Slave Lake Zinc Corp. (the "Company") was incorporated in the province of the British Columbia on September 14, 2016. The Company's principal business activities include the acquisition and exploration of mineral property assets located in North West Territories, Canada. The Company's head office is located at 207 St. Patrick's Avenue, North Vancouver, BC, V7L 3N3.

On November 7, 2018, the Company completed its Initial Public Offering and the Company's common shares are listed on the Canadian Securities Exchange ("CSE") under the trading symbol "SLZ".

On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic. This contagious disease outbreak and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, leading to an economic downturn. The impact on the Company has not been significant, but management continues to monitor the situation.

These condensed financial statements have been prepared on the going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at December 31, 2020, the Company has no source of recurring revenue, generates negative cash flows from operating activities, has a working capital deficit of \$89,958, and has an accumulated deficit of \$1,601,329. These factors raise significant doubt about the Company's ability to continue as a going concern. The continued operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. Management is of the opinion that sufficient working capital will be obtained from external financing to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These condensed financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

## **2. Significant Accounting Policies**

### **(a) Basis of Presentation**

These condensed financial statements have been prepared in accordance with International Financial Reporting Standards applicable to interim financial information, as outlined in International Accounting Standard ("IAS") 34, "Interim Financial Reporting" and using the accounting policies consistent with those in the audited financial statements as at and for the year ended September 30, 2020.

These condensed financial statements do not include all disclosures normally provided in annual financial statements and should be read in conjunction with the annual financial statements as at and for the year ended September 30, 2020. Interim results are not necessarily indicative of the results expected for the fiscal year.

### **(b) Accounting Standards Issued But Not Yet Effective**

Accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

## **SLAVE LAKE ZINC CORP.**

Notes to the Condensed Financial Statements  
Three Months Ended December 31, 2020  
(Expressed in Canadian dollars)  
(unaudited)

### **3. Exploration and Evaluation Assets**

The Company acquired the Property, a mineral claim ("MWK"), tag # F97540 in the South Slave region of the Northwest Territories, NTS Map 75E05, pursuant to a mineral property acquisition agreement (the "Acquisition Agreement") dated for reference February 7, 2017 among the Company as purchaser, Jaskarn Singh Rai, Ritchie John Wigham, Glen Colin Macdonald and Max Braden as vendors (the "Vendors") and 1089621 B.C. Ltd. as royalty holder (the "Royalty Holder"). Each of the Vendors is a founder and director of the Company and was a director of the Company at the time of entering into the Acquisition Agreement. Pursuant to the Acquisition, the Company acquired a 100% right, title, and interest in and to the Property, subject to a 3.5% net smelter returns royalty, by making a cash payment of \$1 to each of the Vendors. The acquisition of the Property by the Company was formalized by the Acquisition Agreement. The Property is subject to a 3.5% net smelter returns royalty (the "Royalty") to the Royalty Holder. The Company has the right to purchase 2/7<sup>th</sup> of the Royalty from the Royalty Holder at any time for \$1,000,000 after which the Royalty will be reduced to 2.5% of net smelter returns. After payment of \$1,000,000 the Company has the right to purchase 2/5<sup>th</sup> of the remaining Royalty for \$2,000,000 at any time after which the Royalty rate will be reduced to 1.5% of net smelter returns. The Property has a 10 kilometer area of interest, and any mineral claims or properties interest within this area that any of the Vendors and/or associated parties acquires, through staking or otherwise, will become part of the Acquisition Agreement and be subject to the Royalty.

On June 28, 2018, the Company entered into a 21-year lease commencing on August 30, 2016 with the Minister of Department of Indian Affairs and Northern Development. The claim is 188.12 hectares and has an annual rental fee of \$470 payable to the Minister of Department of Indian Affairs and Northern Development and there is no other capital commitment required to maintain the lease.

### **4. Related Party Transactions**

- (a) As at December 31, 2020, the Company owed \$62,043 (September 30, 2020 - \$44,043) to the President of the Company which is non-interest bearing, unsecured, and due on demand.
- (b) As at December 31, 2020, the Company owed \$59,565 (September 30, 2020 - \$45,565) to the Chief Executive Officer of the Company which is non-interest bearing, unsecured, and due on demand.
- (c) As at December 31, 2020, the Company owed \$23,000 (September 30, 2020 - \$20,000) to the Chief Financial Officer of the Company which is non-interest bearing, unsecured, and due on demand.
- (d) As at December 31, 2020, the Company owed \$25,384 (September 30, 2020 - \$23,384) to directors of the Company which is non-interest bearing, unsecured, and due on demand.
- (e) During the three months ended December 31, 2020, the Company incurred management fees of \$18,000 (2019 - \$18,000) to the President of the Company.
- (f) During the three months ended December 31, 2020, the Company incurred management fees of \$18,000 (2019 - \$18,000) to the Chief Executive Officer of the Company.
- (g) During the three months ended December 31, 2020, the Company incurred management fees of \$3,000 (2019 - \$3,000) to the Chief Financial Officer of the Company.
- (h) During the three months ended December 31, 2020, the Company incurred management fees of \$2,000 (2019 - \$2,000) to directors of the Company.
- (i) During the three months ended December 31, 2020, the Company incurred geological fees of \$nil (2019 - \$8,000) to a director of the Company.
- (j) During the three months ended December 31, 2020, the Company granted 3,900,000 stock options with a fair value of \$162,850 to officers and directors of the Company.



## SLAVE LAKE ZINC CORP.

Notes to the Condensed Financial Statements  
Three Months Ended December 31, 2020  
(Expressed in Canadian dollars)  
(unaudited)

### 5. Stock Options

The following table summarizes the continuity of the Company's stock options:

	Number of options	Weighted average exercise price \$
Balance, September 30, 2020	3,900,000	0.10
Granted	3,900,000	0.10
Expired	(3,600,000)	0.10
Balance, December 31, 2020	4,200,000	0.10

Additional information regarding stock options outstanding as at December 31, 2020 is as follows:

Range of exercise prices \$	Outstanding and exercisable		
	Number of options	Weighted average remaining contractual life (years)	Weighted average exercise price \$
0.10	4,200,000	1.8	0.10

The fair values for stock options granted have been estimated using the Black-Scholes option pricing model assuming no expected dividends or forfeitures and the following weighted average assumptions:

	Three months ended December 31, 2020	Three months ended December 31, 2019
Risk-free interest rate	0.23%	—
Expected life (in years)	2	—
Expected volatility	135%	—

The total fair value of the stock options granted during the three months ended December 31, 2020 was \$162,850 (2019 - \$nil) which was recorded as share-based payment reserve and charged to operations. The weighted average grant date fair value of stock options granted during the three months ended December 31, 2020 was \$0.04 (2019 - \$nil) per option.

### 6. Subsequent Events

- (a) On February 18, 2021, the Company issued a convertible note for proceeds of \$650,000. The note bears interest at 5% per annum and is due on August 18, 2022. The note is convertible into common shares of the Company at \$0.08 per share. If the closing stock price of the Company's common shares is above \$0.20 for 20 consecutive trading days (provided it has traded on at least 13 of those days), the Company may on written notice require such amount of the principal amount to be converted to common shares of the Company. In connection with the convertible note, the Company issued 8,125,000 share purchase warrants exercisable at \$0.15 per common share expiring on February 18, 2025.
- (b) On February 22, 2021, the Company granted 200,000 stock options exercisable at \$0.10 per common share expiring on February 22, 2023 to a consultant.

## **Appendix B**

MD&A for the interim period ended December 31, 2020 which are dated as of February 26, 2021.



# Slave Lake Zinc

**Management's Discussion and Analysis  
For the Three Months ended December 31, 2020**

This management's discussion and analysis ("MD&A") of the financial position and results of operations is prepared as of February 26, 2021. It provides an analysis of the operations and financial results of Slave Lake Zinc Corp. ("the Company" or "Slave Lake Zinc") for three months ended December 31, 2020 and should be read in conjunction with the unaudited consolidated financial statements for the three months ended December 31, 2020.

The Company is an exploration and development company formed for the purposes of exploring and, if warranted and feasible, developing a zinc, lead, copper, silver resource on our property at O'Connor Lake in the mining friendly Northwest Territories of Canada.

On November 7, 2018, the Company completed its Initial Public Offering ("IPO") and the Company's common shares are listed on the Canadian Securities Exchange ("CSE") under the trading symbol "SLZ".

Slave Lake Zinc has been active in maintaining non-physical contacts and actively pursuing a strategy to move forward with the exploration of the property. Travel restrictions have been in place due to the Covid-19 pandemic related to travel to the Northwest Territories.

Subsequent to the quarter ending December 31, 2020 on February 18, 2021, the Company issued a convertible note for proceeds of \$650,000. The note bears interest at 5% per annum and is due on August 18, 2022. The note is convertible into common shares of the Company at \$0.08 per share. If the closing stock price of the Company's common shares is above \$0.20 for 20 consecutive trading days (provided it has traded on at least 13 of those days), the Company may on written notice require such amount of the principal amount to be converted to common shares of the Company. In connection with the convertible note, the Company issued 8,125,000 share purchase warrants exercisable at \$0.15 per common share expiring on February 18, 2025.

On September 10, 2020, Slave Lake Zinc signed a collaboration agreement with the Northwest Territory Metis Nation. An initial Negotiation Agreement signed on January 22, 2020 provided the framework for the final Collaboration Agreement signed September 10, 2020 despite logistical and technical issues created by the COVID-19 crises. Our Collaboration Agreement will allow Slave Lake Zinc to dramatically advance the potential of the O'Connor Lake Project to the mutual benefit of all parties. With future exploration success at O'Connor Lake this agreement will set the stage for Slave Lake Zinc and the Northwest Territory Metis Nation ("NWTMN") to work toward an Impact Benefits agreement as the project further develops.

The Company formally acquired the Property, a mineral claim ("MWK"), tag # F97540 in the South Slave region of the Northwest Territories, NTS Map 75E05, pursuant to a mineral property acquisition agreement (the "Acquisition Agreement") dated for reference February 7, 2017 among the Company as purchaser, Jaskarn Singh Rai, Ritchie John Wigham, Glen Colin Macdonald, and Max Braden as vendors (the "Vendors") and 1089621 B.C. Ltd. as royalty holder (the "Royalty Holder"). Each of the Vendors is a founder and director of the Company and was a director of the Company at the time of entering into the Acquisition Agreement. Pursuant to the Acquisition Agreement, the Company acquired a 100% right, title and interest in and to the Property, subject to a 3.5% net smelter returns royalty, by making a cash payment of \$1 to each of the Vendors. The acquisition of the Property by the Company was formalized by the Acquisition Agreement. The Property is subject to a 3.5% net smelter returns royalty (the "Royalty") to the Royalty Holder. The Company has the right to purchase 2/7th of the Royalty from the Royalty Holder at any time for \$1,000,000 dollars after which the Royalty will be reduced to 2.5% of net smelter returns. After payment of \$1,000,000 the Company has the right to purchase 2/5th of the remaining Royalty for \$2,000,000 dollars at any time after which the Royalty rate will be reduced to 1.5% of net smelter returns. The Property has a 10-kilometer area of interest, and any mineral claims or properties interest within this area that any of the Vendors and/or associated parties acquires, through staking or otherwise, will become part of the Acquisition Agreement and be subject to the Royalty.

On June 28, 2018, the Company entered a 21-year lease commencing on August 30, 2016 with the Minister of the Department of Indian Affairs and Northern Development. The claim is 188.12 hectares and has an annual rental fee of \$470 payable to the Minister of Department of Indian Affairs and Northern Development and there is no other capital commitment required to maintain the lease.

It is anticipated that at some point during the fiscal year that the Company will require further funding in the capital markets, to advance the project through further ground exploration and ultimately drilling, and to further future development of the O'Connor Lake property.

The current objective for the coming fiscal year is to advance the work done to date. We will also continue to further develop our relationship with the NWTMN and local indigenous communities to enhance and enlarge the current land position held by the Company.

The financial information in this MD&A is derived from the Company's unaudited consolidated financial statements which have been prepared in Canadian dollars, in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

This discussion contains forward-looking statements that involve risks and uncertainties. Such information, although considered to be reasonable by the Company's management at the time of preparation, may prove to be inaccurate and actual results may differ materially from those anticipated in the statements made.

#### **CAUTION REGARDING FORWARD-LOOKING INFORMATION**

This MD&A contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable Canadian legislation. These statements relate to future events or the future activities or performance of the Company. All statements, other than statements of historical fact are forward-looking statements. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or which by their nature refer to future events. These forward-looking statements include, but are not limited to, statements concerning:

- the Company's strategies and objectives, both generally and in respect of its existing business and planned business operations;
- the Company's future cash requirements;
- general business and economic conditions;
- the Company's ability to meet its financial obligations as they come due, and to be able to raise the necessary funds to continue operations;
- the timing, pricing, completion, regulatory approval of proposed financings if applicable;

Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Inherent in forward looking statements are risks and uncertainties beyond the Company's ability to predict or control, including, but not limited to, risks related to the Company's ability to raise the necessary capital or to be fully able to implement its business strategies, and other risks identified herein under "Risk Factors".

The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, and that actual results are likely to differ, and may differ materially, from those expressed or implied by forward looking statements contained in this MD&A. Such statements are based on a number of assumptions, which may prove incorrect, including, but not limited to, assumptions about:

- general business and economic conditions;
- conditions in the financial markets generally, and with respect to the prospects for small capitalization commercial/technology companies specifically;
- the Company's ability to continue to roll out its business plan which includes new product launches and associated planning in production, sales, distribution and marketing;
- the Company's ability to secure and retain employees and contractors to carry out its business plans;

These forward-looking statements are made as of the date hereof and the Company does not intend and does not assume any obligation, to update these forward-looking statements, except as required by applicable law. For the reasons set forth above, investors should not attribute undue certainty to or place undue reliance on forward looking statements.

Historical results of operations and trends that may be interpreted from the following discussion and analysis may not necessarily indicate future results from operations. In particular, the Company has moved from a private corporation operating with very limited capital and therefore with very restricted operations, to a publicly traded venture issuer. Accordingly, drawing trends from the Company's limited operating history is difficult.

## OVERALL PERFORMANCE

The Company has no operational revenue and exploration activity is subject to the availability of funds raised through financings. Global financial and commodity markets have been volatile, and the Company is thus impacted by these generic industry factors which are beyond its control. The Company anticipates obtaining additional financing in the future primarily through further equity financing.

	For the Three months ended December 31, 2020	For the three months ended December 31, 2019
Revenue	\$Nil	\$Nil
Net Income (Loss)	(213,229)	(61,707)
Net and Comprehensive Income (Loss)	(213,229)	(61,707)
Basic and Diluted Loss per common share	(0.01)	(0.00)
Weighted average common shares outstanding	33,494,500	32,894,500
Total Assets	354,857	399,693
Total Non-Current liabilities	\$Nil	\$Nil
Dividends	\$Nil	\$Nil

## SUMMARY OF QUARTERLY RESULTS

The following is a summary of the Company's financial results for the eight most recently completed quarters:

	Q1 Dec. 31 2020	Q4 Sept. 30 2020	Q3 June 30 2020	Q2 March 31 2020	Q1 Dec. 31 2019	Q4 Sept. 30 2019	Q3 June 30 2019	Q2 March 31 2019	Q1 Dec. 31 2018
Total revenues	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
Net loss	\$(213,229)	\$(108,217)	\$(54,638)	\$(51,200)	\$(61,707)	\$(63,988)	\$(69,567)	\$(90,086)	\$(393,359)
Loss per share, basic and diluted	\$(0.01)	\$(0.00)	\$(0.00)	\$(0.00)	\$(0.00)	\$(0.00)	\$(0.00)	\$(0.00)	\$(0.01)

## RESULTS OF OPERATIONS

	Three months ended December 31, 2020 \$	Net Change	Three months ended December 31, 2019 \$
<b>Expenses</b>			
Investor relations	23	(6,934)	6,957
Management fees)	41,000	-	41,000
Office and miscellaneous	1,288	(153)	1,441
Professional fees	3,205	(2,229)	5,434
Share-based compensation	162,850	162,850	-
Transfer agent and filing fees	4,863	1,754	3,109
Travel	-	(3,766)	3,766
<b>Net loss and comprehensive loss</b>	<b>(213,229)</b>	<b>151,522</b>	<b>(61,707)</b>

The Company's net loss for the three months ended December 31, 2020 was \$213,229 or \$0.01 per share compared to a net loss of \$61,707 for the three months ended December 31, 2019. The net loss for the three months ended December 31, 2020 includes share-based compensation (Stock Options) of \$162,850. There were no stock options granted during the three months ended December 31, 2019. The share-based compensation accounted for the majority of the change in the net loss incurred for the three months ended December 31, 2020 compared to the net loss of the prior year. The remaining expenses were consistent with those of the prior year.

## **LIQUIDITY AND CAPITAL RESOURCES**

As at December 31, 2020, the Company has a working capital deficit of \$89,958 and an accumulated deficit of \$1,601,329.

It is anticipated that the Company will have capital requirements in excess of its currently available resources and may need to seek additional financing. There can be no assurance that the Company will have adequate financing to meet its future capital requirements or that additional financing will be available on terms acceptable to the Company in the future.

## **FINANCIAL INSTRUMENTS**

Financial instruments recorded at fair value on the statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three levels of the fair value hierarchy are as follows:

- Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - valuation techniques based on inputs other than quoted prices included in 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 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair values of financial instruments, which include accounts payable and accrued liabilities, and amounts due to related parties, approximate their carrying values due to the relatively short-term maturity of these instruments. Cash is measured at fair value based on the Level 1 hierarchy.

## **FINANCIAL RISK MANAGEMENT**

The Company has exposure to the following risks from its use of financial instruments:

### **Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash. The Company limits its exposure to credit loss by placing its cash with high credit quality financial institutions. Accounts receivables consist of GST refunds due from the Government of Canada. The carrying amount of financial assets represents the maximum credit exposure.



### **Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquid funds to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. The contractual financial liabilities of the Company as of December 31, 2020 equal \$197,241. All of the liabilities presented as accounts payable and accrued liabilities and due to related parties are due on demand. The Company intends to finance its operations over the next twelve months with existing cash, loans from directors and companies controlled by directors and cash proceeds from share private placements.

### **Price risk**

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

### **Other Risk**

During March 2020, the World Health Organization declared COVID-19 a global pandemic. This contagious disease outbreak and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, leading to an economic downturn. The impact on the Company has not been significant, but management continues to monitor the situation.

## OUTSTANDING SHARE DATA

As at December 31, 2020	
	Outstanding
Common shares	33,494,500
Share purchase warrants	0
Stock options	4,200,000
Fully diluted	37,694,500

### Subsequent events:

- (a) On February 18, 2021, the Company issued a convertible note for proceeds of \$650,000. The note bears interest at 5% per annum and is due on August 18, 2022. The note is convertible into common shares of the Company at \$0.08 per share. If the closing stock price of the Company's common shares is above \$0.20 for 20 consecutive trading days (provided it has traded on at least 13 of those days), the Company may on written notice require such amount of the principal amount to be converted to common shares of the Company. In connection with the convertible note, the Company issued 8,125,000 share purchase warrants exercisable at \$0.15 per common share expiring on February 18, 2025.
- (b) On February 22, 2021, the Company granted 200,000 stock options exercisable at \$0.10 per common share expiring on February 22, 2023 to a consultant.

## TRANSACTIONS WITH RELATED PARTIES

- (a) As at December 31, 2020, the Company owed \$62,043 (September 30, 2020 - \$44,043) to the President of the Company which is non-interest bearing, unsecured, and due on demand.
- (b) As at December 31, 2020, the Company owed \$59,565 (September 30, 2020 - \$45,565) to the Chief Executive Officer of the Company which is non-interest bearing, unsecured, and due on demand.
- (c) As at December 31, 2020, the Company owed \$23,000 (September 30, 2020 - \$20,000) to the Chief Financial Officer of the Company which is non-interest bearing, unsecured, and due on demand.
- (d) As at December 31, 2020, the Company owed \$25,384 (September 30, 2020 - \$23,384) to directors of the Company which is non-interest bearing, unsecured, and due on demand.
- (e) During the three months ended December 31, 2020, the Company incurred management fees of \$18,000 (2019 - \$18,000) to the President of the Company.
- (f) During the three months ended December 31, 2020, the Company incurred management fees of \$18,000 (2019 - \$18,000) to the Chief Executive Officer of the Company.
- (g) During the three months ended December 31, 2020, the Company incurred management fees of \$3,000 (2019 - \$3,000) to the Chief Financial Officer of the Company.

- (h) During the three months ended December 31, 2020, the Company incurred management fees of \$2,000 (2019 - \$2,000) to directors of the Company.
- (i) During the three months ended December 31, 2020, the Company incurred geological fees of \$nil (2019 - \$8,000) to a director of the Company.
- (j) During the three months ended December 31, 2020, the Company granted 3,900,000 stock options with a fair value of \$162,850 to officers and directors of the Company.

#### **Officers and Directors**

- Ritch Wigham, CEO and Director
- Jas Rai, President and Director
- Peter Cummings, CFO
- Glen Macdonald, Director
- Max Braden, Director

#### **OFF-BALANCE SHEET ARRANGEMENTS**

The Company does not have any off-balance sheet arrangements.

#### **CHANGES IN ACCOUNTING POLICIES**

Accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

#### **APPROVAL**

The Board of Directors of the Company has approved the disclosure contained in this MD&A on February 26, 2021.

## **ADDITIONAL INFORMATION**

Additional information relating to the Company is on SEDAR at [www.sedar.com](http://www.sedar.com).

### **HEAD OFFICE**

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### **LISTINGS**

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