The following Management's Discussion and Analysis ("MD&A") is prepared as at July 29, 2021 in accordance with National Instrument 51-102F1, and should be read together with the audited financial statements for the year ended March 31, 2021 and related notes, which are prepared in accordance with International Financial Reporting Standards ("IFRS"). Additional information regarding the Company will be available through the SEDAR website at www.sedar.com.

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.

It is the Company's policies that all 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 July 29, 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 the underlying assumptions thereto 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, including the underlying assumptions thereto, 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.

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

The Company's Business

Hawkmoon Resources Corp. (the "Company") was incorporated on April 26, 2019 in British Columbia. The head office and registered and records office of the Company is located at 409 Granville Street, Suite 1000, Vancouver, British Columbia, Canada, V6C 1T2. The Company is a mineral property exploration company. On April 15, 2021, the Company was listed and commenced trading on the CSE on April 19, 2021 under the trading symbol "HM". On May 11, 2021, the Company also listed and commenced trading on the Börse Frankfurt in Germany under the symbol "966".

The Company has an option agreement to earn an interest in the Romeo property located in Quebec, Canada and has not yet determined whether this property contains reserves that are economically recoverable. The recoverability of the carrying amount from the property is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying property, the ability of the Company to obtain necessary financing to satisfy the expenditure requirements under the property option agreement and to complete the development of the property and upon future profitable production or proceeds for the sale thereof.

Property description

By a mineral property option agreement dated May 17, 2019, the Company may acquire up to a 100% interest in the Romeo Property. This property consists of 53 mineral claims located in the Quebec, Canada. As consideration, the Company will pay cash of $150,000, issue 1,500,000 common shares of the Company and incur $1,000,000 in exploration expenditures as follows:

a) Cash payment of $10,000 and issuance of 300,000 common shares within 60 days of acceptance of the Agreement (paid and issued);
b) Incur a minimum of $60,000 in exploration expenditures within the six months from the agreement date (incurred);
c) Cash payment of $20,000 and issuance of 300,000 common shares of the Company within 30 days on the listing of the Company on the CSE (issued and paid subsequent to year end);
d) Cash payment of $30,000 and issuance of 300,000 common shares of the Company and incur $200,000 in exploration expenditures within one year after listing on the Canadian Securities Exchange ("CSE") (April 15, 2022);
e) Cash payment of $40,000 and issuance of 300,000 common shares of the Company and incur $340,000 in exploration expenditures within two years after listing on the CSE (April 15, 2023); and
f) Cash payment of $50,000, issuance of 300,000 common shares of the Company and incur $400,000 exploration expenditures within three years after listing on the CSE (April 15, 2024).

Should the Company acquire 100% of the property, the optionor will retain a 2% net smelter returns royalty, 1% of which may be purchased by the Company for $1,000,000.

Upon completing its obligations, the Company will hold a 100% interest in fifty-three unpatented un-surveyed map designated mining claims totaling approximately 2,984 hectares comprising the Property. The nearest towns are Chapais (80km to the northeast) and Lebel-sur-Quévillon (110km to the west). The city of Val d'Or is situated approximately 210 kilometres southwest of the Property.

The Romeo property is situated within the Urban-Barry greenstone belt located in the eastern portion of the Archaean aged Abitibi geological sub province (the "Abitibi"). The Abitibi is divided into two zones, the southern volcanic zone ("SVZ") and northern volcanic zone ("NVZ"). The Abitibi has been called a collage of two arcs, delineated by the Destor-Porcupine-Manneville fault zone. The SVZ is separated from Pontiac sedimentary rocks to the south by the Cadillac-Larder Lake fault zone (Daigneault et al. 2004). The NVZ is dated to be 2735-2705 Ma is the (10) times larger than the 2715-2697 SVZ. Granitic bodies, intrusions and layered complexes are common in the NVZ.

Selected Annual Financial Information

The table below sets out certain selected financial information regarding the operations of the Company for the period indicated. The selected financial information has been prepared in accordance with IFRS and should be read in conjunction with the Company's financial statements and related notes.

	Year ended March 31, 2021	Period ended March 31, 2020
Revenue	$ -	$ -
Net loss and comprehensive loss	$ 451,729	$ 382,371
Loss per share	$ 0.02	$ 0.06
Total assets	$ 903,212	$ 206,207

The Company was incorporated on April 26, 2019 and March 31, 2020 was the Company's first fiscal year end. The Company did not record any revenues in the period ended March 31, 2020 and incurred a net loss of $382,371. The net loss of $382,371 in the period is largely attributed to consulting and general exploration cost and share-based compensation which was recorded in conjunction with the May 1, 2019 debt settlement. The Company's total assets for the period ended March 31, 2020 were $206,207 which is mainly made up of cash.

During the year ended March 31, 2021, the Company recorded a net loss of $451,729 as compared to $382,371 for the previous period ended March 31, 2020. The increase in expenses can be attributed consulting and professional fees incurred in connection with its IPO. Professional fees have increased to $74,080 from $13,335 in the previous period. The Company's total assets for the year ended March 31, 2021 were $903,212 which is mainly made up of cash.

The Company has not declared any dividends since its incorporation and does not anticipate paying cash dividends in the foreseeable future on its common shares, but intends to retain any future earnings to finance internal growth, acquisitions and development of its business. Any future determination to pay cash dividends will be at the discretion of the board of directors of the Company and will depend upon the Company's financial condition, results of operations, capital requirements and such other factors as the board of directors of deems relevant.

Selected Quarterly Financial Information

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

	March 31, 2021 Qtr 4	Dec. 31, 2020 Qtr 3	Sept. 30 2020 Qtr 2	June 30, 2020 Qtr 1	March 31, 2020 Qtr 4	Dec. 31, 2019 Qtr 3	Sept. 30, 2019 Qtr 2	June 30, 2019 Qtr 1
Revenue	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net loss	$ 30,960	$ 137,746	$ 213,229	$ 69,794	$ 74,137	$ 80,266	$ 91,349	$ 136,619
Loss per share	$ 0.00	$ 0.00	$ 0.02	$ 0.01	$ 0.01	$ 0.01	$ 0.01	$ 0.03

Due to rounding, the figures for the Company's loss per share may not add up to the amount disclosed in the Company's annual financial statements.

The Company was incorporated on April 26, 2019 and June 30, 2019 was the Company's first fiscal quarter reported. During the quarter ended June 30, 2019, the Company recorded a net loss of $136,619 which mostly consist of consulting fees and a share-based payment in connection with the May 1, 2019, debt settlement. During the three months ended September 30, 2019, the Company recorded a net loss of $91,349 as compared to the net loss of $136,619 for the previous quarter ended June 30, 2019 a decline of approximately $45,000 which can be attributed to the decline in consulting fees and share based payment offset by the increase in general exploration cost incurred. During the quarter ended December 31, 2019, the Company recorded a net loss of $80,266 as compared to a net loss of $91,349 for the previous quarter a decline of approximately $11,000 which can be attributed to reduced exploration cost offset by an increase in consulting fees. During the quarter ended March 31, 2020, the Company incurred a net loss of $74,137 which is comparable to the net loss of $80,266 for the previous quarter. During the quarter ended June 30, 2020, the Company recorded a net loss of $69,794 which is consistent with the net loss of $74,137 for the previous quarter. During the quarter ended September 30, 2020, the Company recorded a net loss of $213,229 as compared to a net loss of $69,794 for the previous quarter. The increase can be attributed to exploration work and engagement of third-party consultants. During the quarter ended December 31, 2020, the Company recorded a net loss of $137,746 as compared to a net loss of $213,229 for the previous quarter. The decrease can be attributed to the decrease in engagement of third-party consultants in this quarter. During the quarter ended March 31, 2021, the Company recorded a net loss of $30,960 as compared to $137,746 for the previous quarter. The main decrease can be attributed to a reduction in exploration expenses incurred in the fourth quarter.

Results of Operations

The Company did not record any revenues in the year ended March 31, 2021 and incurred a net loss of $451,729 as compared to $382,371 for the previous period ended March 31, 2020. The net loss of $451,729 for the current year ended March 31, 2021 is largely attributed to $203,472 in consulting fees to external party ($161,972) for administrative services and fees to directors of the Company ($41,500) (see related party section for details), $74,080 in professional fees to the Company's legal counsel and auditors, and $102,665 in exploration cost on the Romeo project. In the prior period the loss is largely attributed to $204,261 in consulting fees paid to external party ($79,261) for administrative services, finders and fees to directors of the Company ($125,000), $13,335 in professional fees to the Company's legal counsel and an accrual for the year-end audit fee and incurred $95,865 in exploration cost. The Company also recognized share-based compensation of $20,000 which was recorded in conjunction with the May 1, 2019 debt settlement with a director of Company. For most of 2021, the Company was raising funds and performing the minimum amount of work on the property until the Company get's listed on the CSE. Company got approval subsequent to the year end.

Fourth Quarter

During the fourth quarter ended March 31, 2021, the Company incurred a net loss of $30,960 which is comparable to the net loss of $74,137 for the comparable period for 2020. Total expenses of $30,960 is mostly made up of $5,000 (2020 - $8,177) in exploration cost, $33,441 (2020 - $50,235) in consulting fees and $24,000 (2020 - $7,000) in professional fees accrued for year end audit fees. The Company also incurred $10,360 in filing fees as the Company was listed in April 2021.

Liquidity and Capital Resources

The Company's cash position as at March 31, 2021 was $764,429 (2020 - $140,455) with a working capital of $848,520 (2020 - $175,929). Total assets as at March 31, 2021 was $903,212 (2020 - $206,207).

The Company believes that the current capital resources are not sufficient to pay overhead expenses and its upcoming exploration program for the next twelve months and is in the process of raising additional funding to fund its overhead expenses and its exploration program and potential future aquisitions. The Company will continue to monitor the current economic and financial market conditions and evaluate their 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.

On September 11, 2020, the Company completed a non-brokered private placement of 1,787,600 units at $0.10 for total proceeds of $178,760. Each unit consists of one common share and one share purchase warrant, entitling the holder the right to purchase one common share at a price of $0.15 per share expiring two years from the date of listing on the CSE. In connection with the private placement, the Company paid a cash finder's fee of $700 and issued 7,000 finders' warrants exercisable at $0.15 for a period of two years from the date of issuance. These finder's warrants were fair valued at $280 using the Black-Scholes Option Pricing Model with the following assumptions: risk-free interest rate of 0.25%; dividend yield of 0%; volatility of 100% and expected life of two years and a stock price of $0.10.

On September 2, 2020, the Company completed a non-brokered private placement of 1,100,000 units at $0.10 for total proceeds of $110,000. Each unit consists of one common share and one share purchase warrant, entitling the holder the right to purchase one common share at a price of $0.15 per share expiring three years from the date of listing on the CSE.

On July 31, 2020, the Company completed a non-brokered private placement of 4,950,000 units at $0.10 for total proceeds of $495,000. Each unit consists of one common share and one share purchase warrant, entitling the holder the right to purchase one common share at a price of $0.15 per share expiring three years from the date of listing on the CSE. In connection with the private placement, the Company paid a cash finder's fee of $3,850 and issued 38,500 finders' warrants exercisable at $0.15 for a period of two years from the date of issuance. These finder's warrants were fair valued at $1,540 using the Black-Scholes Option Pricing Model with the following assumptions: risk-free interest rate of 0.26%; dividend yield of 0%; volatility of 100% and expected life of two years and a stock price of $0.10.

On July 30, 2020, the Company completed a non-brokered private placement of 1,545,000 units at $0.10 for total proceeds of $154,500. Each unit consists of one common share and one share purchase warrant, entitling the holder the right to purchase one common share at a price $0.15 per share expiring two years from the date of listing on the CSE.

On July 29, 2020, the Company completed a non-brokered private placement of 13,036,000 units at $0.05 for total proceeds of $651,800. Each unit consists of one common share and one share purchase warrant, entitling the holder the right to purchase one common share at a price of $0.05 per share expiring two years from the date of listing on the CSE. In connection with the private placement, the Company paid a cash finder's fee of $2,100 and issued 42,000 finders' warrants exercisable at $0.05 for a period of two years from the date of issuance. These finders' warrants were fair valued at $1,260 using the Black-Scholes Option Pricing Model with the following assumptions: risk-free interest rate of 0.26%; dividend yield of 0%; volatility of 100% and expected life of two years and a stock price of $0.05.

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. Management considers the items included in shareholders' equity (deficit) and working capital as capital. The Company manages the capital structure and makes adjustments to it in response to changes in economic conditions and 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 the additional capital necessary to pursue these plans, the Company intends to raise additional funds through equity or debt financing.

Going Concern

The audited 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 March 31, 2021, the Company has not achieved profitable operations, has accumulated losses of $834,100 (2020 - $382,371) since inception and expects to incur further losses in the development of its business. The above material uncertainties cast significant doubt about the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent upon successful results from its operations, its ability to attain profitable operations to generate funds, and/or its ability to raise equity capital or borrowings sufficient to meet its current and future obligations. Although the Company has been successful in the past in raising funds to continue operations, there is no assurance it will be able to do so in the future.

Off Balance Sheet Arrangements

The Company does not have any off balance sheet arrangements.

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 March 31, 2021, the Company had a working capital of $848,520 (2020 - $175,929).

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.

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 are those having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, and include the Company's executive officers and members of the Board of Directors. Key management compensation consisted of the following:

The following expenses were incurred with key management personnel of the Company. Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include certain directors and officers. Key management compensation comprises:

			2021		2020
Consulting fees	Branden Haynes, Director and CEO	$	75,000	$	55,000
	Hugh Oswald, Director		6,500		30,000
	Thomas Clarke, Director, VP explorations		-		40,000
			81,500		125,000
General exploration	Company controlled by Director and VP explorations	$	55,800	$	-
Rent	Company controlled by Director and VP explorations	$	6,960	$	-
Share-based payment	Branden Haynes, Director and CEO	$	-		20,000
		$	144,260	$	145,000

During the period ended March 31, 2020, the Company issued 5,000,000 common shares to settle debts of $80,000 with directors and officers of the Company for unpaid consulting fees, which are included in the above noted table. The breakdown of these shares issued to settle debts is shown below:

	Number of Shares		Amount
Branden Haynes, Director and CEO	2,000,000	$	20,000
Hugh Oswald, Director	1,000,000		20,000
Thomas Clarke, Director, VP explorations	2,000,000		40,000
	5,000,000	$	80,000

Included in accounts payable and accrued liabilities at March 31, 2021 is $7,445 (2020 - $6,890) in unpaid consulting fees and other balances owing to directors and officers of the Company. These amounts owing are unsecured, due on demand, and non-interest bearing and are as follows:

	Relationship		2021		2020
Accounts payable					
Branden Haynes	Director and CEO	$	3,054	$	2,500
Geoff Balderson	Director and CFO		1,000		1,000
Hugh Oswald	Director		1,000		1,000
Thomas Clarke	Director, VP explorations		2,390		2,390
		$	7,445	$	6,890

Proposed Transaction

N/A

Subsequent Events

Subsequent to March 31, 2021:

On October 9, 2020, the Company filed a preliminary prospectus (the "Prospectus") to qualify an offering (the "Offering") to the public of units (the "Units") and the common shares and warrants of the Company underlying such Units at a price of $0.10 per Unit (the "Offering Price"). The minimum size of the Offering is 3,500,000 Units for gross proceeds of $350,000, and the maximum size of the Offering is 7,500,000 Units for gross proceeds of $750,000. Each Unit is comprised of one common share in the capital of the Company ("Common Share") and one Common Share purchase warrant (a "Warrant") entitling the holder to acquire one Common Share at a price of $0.15 per share until the date that is 24 months following the closing of the Offering, subject to the option of the Company to accelerate the expiry date of the Warrants if the weighted average trading price of the Common Shares during the 10 consecutive trading days immediately prior to the date on which such calculation is made is equal to or greater than $0.25. The Offering is being made pursuant to the terms of an agency agreement dated February 28, 2020 (the "Agency Agreement"), between the Company and PI Financial Corp. (the "Agent"). The Agent will receive a commission (the "Agent's Commission") of 8.0% of the gross amount raised in the Offering, payable in cash from the proceeds of the sale of the Units. In addition, the Agent will receive a non-transferable option (the "Agent's Option") to purchase that number of Common Shares as is equal to 8.0% of the number of Units sold pursuant to the Offering. The Agent's Option will be exercisable for a period of two years from the date of listing of the Units on the CSE at a price of $0.15 per Common Share. The Company shall pay the Agent a corporate finance fee of $25,000 plus GST and a non-refundable deposit of 50% of the corporate finance fee in the amount of $12,500 plus GST plus a $10,000 legal retainer upon signing of the letter. On April 16, 2021, the Company completed the prospectus and issued the 7,500,000 units and 600,000 Agent's Options.

On April 16, 2021, the Company issued 650,000 common shares for total proceeds of $37,500 and 100,000 share purchase warrants exercisable at $0.15 for a period of two years from the date of issuance.

On April 22, 2021, the Company entered into an option agreement with Cartier Resources Inc. to acquire 100% interest in the Wilson gold property located in Verneuil township east of the town of Lebel-sur-Quevillon Quebec. The property comprises of 42 mineral claims totalling approximately 1,660 hectares. As consideration, the Company is required to pay cash of $1,000,000, issue an aggregate of 5,000,000 common shares, incur not less than $6,000,000 in exploration expenditures and drill a minimum of 24,000 metres over a period of five years. Upon exercise of the option, the Cartier Resources Inc. will retain a 2% net smelter return royalty ("NSR") of which 1% NSR may be purchased by the Company for $4,000,000. In accordance with the agreement, the Company has issued 700,000 common shares and paid $200,000 in cash upon execution.

On May 3, 2021, the Company granted 2,090,000 stock options to directors, officers and consultants. These stock options vested at the date of grant and are exercisable at $0.13 per share until May 3, 2025. On May 3, 2021, 380,000 stock options were exercised for total proceeds of $39,000.

The Company also granted these individuals 1,710,000 RSU which vest at 25% every three months with the first vesting on August 3, 2021, exercisable at $0.13 per share and until May 3, 2025.

On May 18, 2021, the Company entered into an option agreement with two arms length individuals (the "Vendors") to acquire 100% interest in the Lava gold property located in Latulipe-et-Gaboury township of western Quebec. The property comprises of 42 mineral claims totalling approximately 2,061 hectares. As consideration, the Company will pay cash of $115,500, issue 1,320,000 common shares and complete $500,000 of work expenditures over three a year period. Upon exercise of the option, the Vendors will retain a 3% net smelter return royalty ("NSR") of which 1% NSR may be purchased by the Company for $1,000,000. In accordance with the agreement, the Company has issued 330,000 shares subsequent to the year end.

Outstanding Share Data

Below is the summary of the Company's share capital as at March 31, 2021 and as of the date of this report:

	As at	
Security description	March 31, 2021	MD&A
Common shares – issued and outstanding	29,218,601	39,078,601
Share purchase warrants	9,382,600	16,982,600
Finders' warrants	87,500	687,500
Stock options	-	1,710,000
Restrict stock units	-	1,710,000
Common shares – fully diluted	38,688,701	60,168,701

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 within the next financial year are discussed in note 4 to the financial statements.

Business and Industry Risks

Speculative Nature of Investment Risk

An investment in securities of the Company involves a high degree of risk and must be considered highly speculative due to the nature of the Company's business and the present stage of exploration and development of its mineral properties. In addition to information set out or incorporated by reference in this MD&A, prospective investors should carefully consider the risk factors set out below. Any one risk factor could materially affect the Company's financial condition and future operating results and could cause actual events to differ materially from those described in forward looking statements relating to the Company.

No Operating History

The Company was incorporated on April 26, 2019 and has not commenced commercial operations. The Company has no history of earnings or paid any cash dividends, and it is unlikely to produce earnings or pay dividends in the immediate or foreseeable future.

Exploration and Mining Risks

Resource exploration and development and mining operations are highly speculative and characterized by a number of significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate, including, among other things, unprofitable efforts resulting not only from the failure to

discover mineral deposits, but from finding mineral deposits which, though present, are insufficient in quantity and quality to be mined profitability. Few properties that are explored are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration and development programs will result in any discoveries of bodies of commercial mineralization. There is also no assurance that even if commercial quantities of mineralization are discovered, a mineral property will be brought into commercial production. The Company will continue to rely upon the advice and work of consultants and others for exploration, development, construction, and operating expertise.

Substantial expenditures are required to establish and upgrade mineral resources, to establish mineral reserves, to develop metallurgical processes to extract metals from mineral resources and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. No assurance can be given that the funds required for development can be obtained on a timely basis. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size and grade; metal prices which are highly cyclical; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. Unsuccessful exploration and development programs could have a material adverse impact on the Company's operations and financial condition.

Factors beyond the Company's Control

The mining exploration business is subject to a number of factors beyond the Company's control including changes in economic conditions, intense industry competition, variability in operating costs, changes in government and in rules and regulations of various regulatory authorities. An adverse change in any one of such factors would have a material adverse effect on the Company, its business and results of operations which might result in the Company not identifying a body of economic mineralization, completing the development of a mine according to specifications in a timely, cost effective manner or successfully developing mining activities on a profitable basis.

Reliance on Independent Contractors

The Company's success depends to an extent on the performance and continued service of certain independent contractors. The Company has contracted the services of professional drillers and others for exploration, environmental, engineering, and other services. Poor performance by such contractors or the loss of such services could have a material and adverse effect on the Company, its business and results of operations and result in the Company failing to meet its business objectives.

Additional Funding Required

Further exploration on, and development of, the Company's properties may require significant additional financing. Accordingly, the continuing development of the Company's properties will depend upon the Company's ability to obtain financing through equity financing, debt financing, the joint venturing of projects or other external sources. Failure to obtain sufficient financing may result in a delay or an indefinite

postponement of exploration, development, or production on any or all of the Company's properties, or even a loss of property interest, or have a material adverse impact on the Company's future cash flows, earnings, results of operations and financial condition or result in the substantial dilution of its interests in its properties. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favorable to the Company. If the Company was required to arrange for debt financing it could be exposed to the risk of leverage, while equity financing may cause existing shareholders to suffer dilution. There can be no assurance that the Company will be successful in overcoming these risks or any other problems encountered in connection with such financings. Failure to raise capital when needed would have a material adverse effect on the Company's business, financial condition, and results of operations.

The Company has and will continue to have negative operating cash flow until its mineral property commence commercial production should exploration and development efforts demonstrate that commercial production from such mineral properties is feasible.

Market Price of Common Shares

The trading price of the common shares is likely to be significantly affected by short term changes in mineral prices or in its financial condition or results of operations as reflected in its quarterly earnings reports. Other factors unrelated to the Company's performance that may have an effect on the price of the common shares include the following: the extent of analytical coverage available to investors concerning the Company's business; the lessening in trading volume and general market interest in the Company's securities may affect an investor's ability to trade significant numbers of common shares; and the price of the common shares and size of the Company's public float may limit the ability of some institutions to invest in the Company's securities.

As a result of any of these factors, the market price of the common shares at any given point in time may not accurately reflect the Company's long-term value. Securities class action litigation often has been brought against companies following periods of volatility in the market price of their securities. The Company may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

Increased Costs of Being a Publicly Traded Company

If we successfully list on the Exchange, we will incur significant additional legal, accounting and filing fees that at present, are not required. Securities legislation and the rules and policies of the Exchange require listed companies to, among other things, adopt corporate governance and related practices, and to continuously prepare and disclose material information all of which will significantly increase legal and financial compliance costs.

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 on 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.

The Company has and will continue to take measures recommended by Health Canada and applicable regulatory bodies, as appropriate. To date, the Company has introduced 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.

Fluctuating Mineral Prices

The Company's revenues in the future, if any, are expected to be in large part derived from the extraction and sale of precious and base minerals and metals, which in turn depend on the results of the Company's exploration on these properties and whether development will be commercially viable or even possible. Factors beyond the control of the Company may affect the marketability of metals discovered, if any. Metal prices have fluctuated widely, particularly in recent years, including as a result of the significant market reaction to COVID-19. Consequently, the economic viability of any of the Company's exploration projects cannot be accurately predicted and may be adversely affected by fluctuations in mineral prices.

Competition

The mining industry is intensely competitive in all its phases. The Company competes for the acquisition of mineral properties, claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees with many companies possessing greater financial resources and technical facilities than the Company. The competition in the mineral exploration and development business could have an adverse effect on the Company's ability to hire or maintain experienced and expert personnel or acquire suitable properties or prospects for mineral exploration in the future.

Resale of Common Shares

The continued operation of the Company will be dependent upon its ability to generate operating revenues and to procure additional financing. There can be no assurance that any such revenues can be generated or that other financing can be obtained. If the Company is unable to generate such revenues or obtain such additional financing, any investment in the Company may be lost. In such event, the probability of resale of the Common Shares by any investor of the Company would be diminished.

Community Groups

There is an ongoing level of public concern relating to the effects of mining on the natural landscape, on communities and on the environment. Certain non-governmental organizations, public interest groups and reporting organizations ("NGOs") who oppose resource development can be vocal critics of the mining industry. Any such actions and the resulting media coverage could have an adverse effect on the reputation and financial condition of the Company or its relationships with the communities in which it operates, which could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Price Volatility of Publicly Traded Securities

In recent years, the securities markets in Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects

of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the Common Shares will be subject to market trends generally, notwithstanding any potential success of the Company in executing on its business plan, creating revenues, cash flows or earnings. The value of the Common Shares will be affected by such volatility. There is currently no public market for the Common Shares. An active public market for the Common Shares might not develop or be sustained after the Listing Date. If an active public market for the Common Shares does not develop, the liquidity of a shareholder's investment may be limited and the share price may decline below the price at which the Special Warrant were issued.