

## MANAGEMENT DISCUSSION AND ANALYSIS FOR THE NINE MONTHS ENDED JUNE 30, 2021

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Management's discussion and analysis ("MD&A") provides a detailed analysis of the results and financial condition of Enduro Metals Corporation (formerly Crystal Lake Mining Corporation) (the "Company") for the period ended June 30, 2021. The following MD&A should be read in conjunction with the Company's condensed consolidated interim financial statements for the nine months ended June 30, 2021, and the audited consolidated financial statements as at and for the year ended September 30, 2020, and the notes thereto.

This Management's Discussion and Analysis ("MD&A") is dated August 30, 2021, and discloses specified information up to that date. The condensed interim consolidated financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting. Unless otherwise cited, references to dollar amounts are in Canadian dollars. This MD&A contains "forward-looking statements" that are subject to risk factors including those set out in the "Cautionary Statement" at the end of this MD&A. All information contained in this MD&A is current and has been approved by the Company's Board of Directors as of August 30, 2021, unless otherwise indicated. Throughout this report we refer to "Enduro", the "Company", "we", "us", "our", or "its". All these terms are used in respect of Enduro Metals Corporation. **We recommend that readers consult the "Cautionary Statement" on the last page of this report.** Additional information relating to the Company is available on the Company's website at [www.endurometals.com](http://www.endurometals.com) and on SEDAR at [www.sedar.com](http://www.sedar.com).

The condensed interim consolidated financial statements were prepared in accordance with IFRS with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The operations of the Company were primarily funded by the issue of share capital.

The continued operations of the Company are dependent on its ability to develop a sufficient financing plan, receive continued financial support from related parties, complete sufficient public equity financing, or generate profitable operations in the future. The condensed interim consolidated financial statements do not include any adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue business.

The Company's management is responsible for presentation and preparation of the financial statements and the MD&A.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds.

### Description of Business

Enduro Metals Corporation was incorporated under the Business Corporations Act (British Columbia) on July 20, 2009 and is publicly listed and traded on the TSX Venture Exchange ("TSX-V") under the trading symbol "ENDR" and on the OTC Markets Group Inc under the ticker symbol "ENDMF". The Company is currently engaged in the identification, acquisition and exploration of prospective mineral properties in Canada. Enduro metals hold one of the largest junior land positions in the heart of British Columbia's Golden Triangle, a world class mineral district hosting multiple successful mines. Enduro's 648 km<sup>2</sup> Newmont Lake property contains at least four large, distinct mineralized systems with distinct-scale potential dash starting from surface. Work to date has produced encouraging results in drilling, while sampling, mapping and geophysics have identified large areas of high grade and highly perspective showings. The Company is fully funded for an exciting exploration program in 2021.

## **Operational Highlights**

- On July 21, 2021, the Company announced the commencement of its 10,000 meter drill program at its Newmont Lake Project. The 2021 exploration program intends to focus on the following targets:

### Chachi Corridor:

The Chachi Corridor represents a multi-element system endowed in copper, silver, gold, lead, zinc, nickel, and cobalt which was discovered by Enduro in 2019. The initial drilling will involve 6 holes from 3 separate drill pads, with targets selected based on:

- High-grade copper-silver on surface (including rock samples with 5.3% copper/36 g/t silver and 2.7% copper/301 g/t silver).
- Induced polarization (“IP”) geophysics chargeability responses.
- Proximity to a regional structural feature; and
- Widespread alteration.

### Burgundy/72 Zone

A first-pass drill program in 2019 intersected mineralization in several shallow holes including 91m of 0.38% Cu and 0.30 g/t Au starting at 36m downhole. Late in the 2019 season, a trench 400 meters south cut 1.3% Cu, 1.5 g/t Au, 23 g/t Ag, and 3% Zn over 37m with the mineralized zone remaining open. This area is being explored as an alkalic porphyry target. Previous drill results include 22m of 0.89% Cu, 0.71 g/t Au, 0.26 g/t Pd, and 6.6 g/t Ag within a broader mineralized interval.

Work performed over the winter by the Charles Fipke Centre for Innovative Research, at University of British Columbia, (Okanagan) dated intrusive rocks in this area as coeval to the Galore Creek Project. Surface work presently underway will fine-tune target locations for drilling this season, with the objective of confirming the presence of a large-scale copper-gold alkalic porphyry system.

### Cuba Zone

The Company plans to initially drill the Havana target, identified by Enduro last year, which is located at the northern end of the previously outlined trend. A sample from one of the quartz-barite veins in the Havana Zone assayed 1,277 g/t silver, 4.51% copper, 1.11% zinc, and 0.21% lead. An IP geophysical survey line over the target identified an anomaly coincident with the surface geochemical anomaly. The initial two drill holes will test the area of coincident geochem and the IP chargeability high.

### McLymont Fault

Historically, Enduro’s drilling has extended the historic NW Zone along strike and to depth and has identified parallel mineralized features. Enduro’s drill results outside of the previously identified mineralized area includes drill hole NW20-09 in the Northeast Extension which intersected 31 g/t Au and 1.07% Cu over 8.8 meters.

Specifically, 2021 drilling will:

- Test the deeper extent of porphyry style mineralization encountered in 2020 drilling.
- Expand on initial Troy Vein discovery (drill intercept of 32.5 g/t Au and 1.07% Cu over 8.9 m).
- Test satellite high-grade gold trends along the greater McLymont Fault Corridor.

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- On June 10, 2021, the Company reported initial results from a Platinum Group Element ("PGE") analysis. The first batch of results has identified the presence of significant palladium in drill core selected from the Burgundy/72' system. This area is 1 of 4 major systems within the Company's 654 square kilometer Newmont Lake Project situated in the heart of BC's prolific Golden Triangle. Highlights from the release are as follows:
  - Company is pleased to advise it has engaged Dr. Alan Wilson, one of the world's foremost experts on alkalic copper-gold porphyry deposits through GeoAqua Consultants Ltd., to provide technical expertise to the Newmont Lake Project.
  - Diamond Drill Hole ST19-06 intersected 22.28m of 0.89% copper, 0.71 g/t gold, 0.26 g/t palladium, and 6.65 g/t silver starting at 228m downhole. Individual samples are as high as 1.29 g/t palladium over 1.9m.
  - A limited number of samples were taken over a 22.28m interval and an expanded PGE analysis of drill core is now underway.
  - The blind drill target was uncovered using advanced hyperspectral technology and analysis.
  - Dr. Alan Wilson is widely considered to be among the world's foremost experts in alkalic porphyry deposits and will be at Newmont Lake for a portion of the 2021 exploration program.
  - Palladium is the most valuable of the four major precious metals worldwide (currently \$2,835 USD per ounce). It is a distinct characteristic of mines/deposits in British Columbia including Galore Creek, Mt. Milligan, Mt. Polley, New Afton/Afton, and Ajax.
  
- On June 2, 2021, the Company announced it has retained Adelaide Capital ("Adelaide"), a full-service investor relations firm that specializes in small and mid-cap growth companies. Adelaide has a sizable and valuable network of investors throughout North America and around the world that will assist in positioning Enduro and presenting the upside potential of the Newmont Lake Project. Highlights from the release are as follows:
  - Adelaide will, among other items, work closely with Enduro's management team to assist with corporate development and investor relations actions, coordinate non-deal roadshows, virtual online campaigns, and conferences, and assist with investor introductions and communications.
  - Under the terms of the Consulting Agreement, Adelaide will receive \$8,000 per month for an initial period of 6 months (subject to extension by mutual agreement) commencing on the date applicable filings are made to the TSXV.
  - The Company has also granted Adelaide a stock option to purchase up to 150,000 common shares in the capital of the Company (the "Common Shares") pursuant to the Company's Stock Option Plan at an exercise price of \$0.23 per share, vesting quarterly over a 12-month period. All vested options shall be eligible for exercise for a period ending on the earlier of (i) two years from the date of the grant, and (ii) 90 days following termination of the Consulting Agreement. To the knowledge of the Company, Adelaide does not have any interest, directly or indirectly, in the Company or its securities, or any right or intent to acquire such an interest.
  
- On June 2, 2021, the Company announced that it has expanded the Newmont Lake project as it strategically acquired, by staking, an additional 1,448 hectares (increasing its land holdings by approximately 2.5%). These mineral claims are in between the Galore Creek deposit and Enduro's Burgundy/72 Zones. According to the Company's data analysis, the claim package has never been explored, and was covered in ice until recent years. This brings Enduro's total project size to 65,248 hectares (or approx. 654km<sup>2</sup>).

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- On May 27, 2021, the Company reported a new polymetallic vein system has been identified on the northern end of the Cuba Trend. The vein system, which is now known as Havana is the largest geochemical anomaly along the trend. The area is located approximately 1,500m directly west of the Chachi Central Zone (see news release dated February 18th, 2021). Highlights from the release are as follows:
  - A multi-element vein system has been identified as the possible source of the 1,800m long Havana geochemical anomaly.
  - A sample of the quartz-barite vein on surface assayed 1,277 g/t silver, 4.51% copper, 1.11% zinc, and 0.21% lead. Another sample 60m along strike assayed 854 g/t silver, 5.34% copper, 4.34% zinc, and 1.53% lead.
  - An induced polarization (“IP”) geophysical survey line over the target identified an anomaly coincident with the surface geochemical anomaly.
  - The company is currently investigating a possible link between Havana and Chachi
- On May 13, 2021 the Company provided an update on assay results from 4,516m drilled in 17 diamond drill holes completed along the McLymont Fault during the 2020 exploration program and further sees its first Porphyry mineralization in drill core at McLymont. Highlights from the update are as follows:
  - All 17 drill holes completed along a 4.5km-long continuum intersected gold mineralization of varying styles and significance, including 2 types of skarns, intrusion related veins, and hypogene porphyry mineralization.
  - NW20-13, the final drill hole of the 2020 exploration program intersected intrusion-hosted hypogene porphyry mineralization along the McLymont Fault for the first time. This information is critical to the Company’s theory of an undiscovered porphyry camp at Newmont Lake (see Figures 5 & 6).
  - NW20-10 intersected a 25m wide vein swarm approximately 55m west of the 24m wide vein swarm discovery in NW20-09 (see October 21<sup>st</sup>, 2020), now referred to as the Troy Veins. Individual samples in the new vein intersections are as high as 20.30 g/t gold, 11.21 g/t silver, and 1.84% copper over 0.65m at 180.66m downhole.
  - Metallic screen analysis targeting selective gold mineralization saw up to 70% increases in individual gold assays, including NW20-03 previously reported as 20.75 g/t Au over 1.00m is now 34.50 g/t Au over 1.00m at 55m downhole.
- On February 18, 2021, the Company reported that a recently completed 3D Induced Polarization (“IP”) model at the Chachi Corridor on the Company’s Newmont Lake Property had established a direct correlation with high-grade copper-silver surface samples taken in 2019. The model indicates a highly chargeable 850-metre x 600-metre anomaly that is located immediately beneath the copper-silver showings. This is early evidence suggesting mineralization may continue to significant depths. The Chachi Corridor is 1 of 4 major target areas within the Newmont Lake property covering 638 square kilometers situated in the heart of BC’s prolific Golden Triangle. Other areas currently being explored include McLymont where the Company anticipates more drilling results from the 2020 season.
- On February 16, 2021, the Company announced had upgraded its US Listing to OTCQB. Further, the Company also changed its US ticker symbol from “SIOCF” to “ENDRM”. The Company anticipates that the upgraded listing to the OTCQB will provide greater liquidity and a more seamless trading experience for our U.S. shareholders.
- On February 9, 2021, the Company reported drill assay results from an additional four diamond drill holes from the 17-hole program completed along the McLymont Fault during the 2020 exploration program at Newmont Lake. The highlights from these drill assays are as follows:

- All four drill holes intersected shallow high-grade gold including 2.72m of 17.15 g/t gold, 26.19 g/t silver, and 1.18% copper in our first drill hole of 2020. More grades as high as 54.59 g/t gold, 135 g/t silver, and 1.18% copper over 0.50m in step-outs.
- Three of four drill holes also intersected longer intervals of lower-grade, bulk tonnage gold. NW20-04 intersected 138.6m of 0.82 g/t AuEq (“Gold Equivalent”), including 33.6m of 2.47 g/t AuEq starting at 119.83m depth. The drill hole ended in gold mineralization and remains open.
- Discovery of the strongest gold – copper geochemical anomaly at Newmont Lake to date along trend of current high-grade gold drilling. The discovery is concurrent with a large ZTEM geophysical anomaly.
- Mounting evidence of a large-scale, gold-copper porphyry system along the McLymont Fault – potentially the ultimate source of the shallow gold and copper mineralization drilled to date.

The highlights for the quarter should be read in conjunction with additional disclosures on the Company’s website.

## **Mineral Properties**

### **Newmont Lake Property, British Columbia, Canada**

In September 2018, the Company entered into a letter agreement for an option to acquire (“Option Agreement”) 100% of Romios Gold Resources Inc.’s (“Romios”) interest in 436 sq. km of the Newmont Lake Property (“Romios Claims”) subject to TSX-V approval in the prolific Golden Triangle, immediately southeast of Galore Creek (Newmont/Teck JV), north of the Snip Mine (formerly Cominco/Prime Resources JV), and northwest of Eskay Creek Mine (formerly Barrick Gold, now Skeena Resources). The Option Agreement was approved by the TSX-V on February 22<sup>nd</sup>, 2019.

Further, the Company acquired 100% interest of 182 sq. km of mineral claims adjacent to the Romios Claims via claim staking from the Government of British Columbia. The combination of the Romios Claims and the Company’s staked claims form the 638 sq. km Newmont Lake Property.

### **Option Agreement Details**

Pursuant to the agreement, to earn 100% interest in the Romios Claims, the Company is required to:

#### **Completed:**

- pay \$250,000 immediately upon signing.
- pay \$250,000 at 90 days following the regulatory approval.
- pay \$250,000 at 180 days following the regulatory approval.
- pay \$250,000 at 270 days following the regulatory approval.
- issue 4,000,000 shares upon the regulatory approval.
- issue 4,000,000 shares on November 29<sup>th</sup>, 2020.
- incur approximately \$3,000,000 of exploration expenditures by February 22<sup>nd</sup>, 2020.
- incur approximately \$2,500,000 of exploration expenditures by February 22<sup>nd</sup>, 2021.
- incur approximately \$2,500,000 of exploration expenditures by February 22<sup>nd</sup>, 2022.
- incur an underlying annual payment of \$30,000.

#### **Outstanding:**

- pay \$1,000,000 concurrently with the Company vesting 100% interest in the Romios Claims by February 22<sup>nd</sup>, 2022.
- issue 4,000,000 shares on November 29<sup>th</sup>, 2021.

The claims are subject to a 2% NSR held by Romios. Up to 1% of the Net Smelter Royalty (“NSR”) can be bought back by the Company in increments of 0.5% for \$2,000,000 per 0.5% (gross total \$4,000,000 for 1%) at any time by the Company upon 100% earn-in of the Romios Claims. The NSR has a 5km radius area of interest (“AOI”) beyond the claim boundaries of the Romios Claims. The Company will issue 2,000,000 shares to Romios in the event a NI 43-101 compliant resource estimate which exceeds 1,000,000 ounces of gold equivalent resources (being the sum of indicated and inferred) is confirmed/executed.

An additional 1,000,000 shares of the Company will be issued to Romios for each additional 1,000,000 ounces of gold equivalent resources (being the sum of indicated and inferred).

### **Property Overview**

The Newmont Lake Property consists of 654 km<sup>2</sup> of mineral claims located within the center of northwestern British Columbia’s Golden Triangle, a region widely considered to be among the most well-endowed mineral districts in the world. Notable mines/deposits within the general area include Eskay Creek, KSM, Brucejack, Galore Creek, Red Chris, Snip, Schaft Creek, Treaty Creek, Premier, Granduc, and Saddle. The entirety of the Newmont Lake Property sits within Geoscience BC’s (Government of British Columbia) recently announced area of interest (“AOI”) which will be subject to extensive government funded scientific research seeking to collect data to assist in the exploration and development of mineral deposits in the area.

Major infrastructure improvements within recent years have greatly increased the Newmont Lake Project’s accessibility and overall mineral economics leading to increased interest and efforts to explore for mineral resources on the property and the Golden Triangle as a whole. Over \$4.5 billion CAD has been invested in infrastructure investment and construction proximal to the Newmont Lake Property within recent years and includes:

- 303 Megawatt Northwest Hydroelectric Facilities
- 287 Kilovolt Northwest Transmission Line
- >100km of all-weather access roads and bridges
- Port of Stewart infrastructure upgrades
- Highway 37 paving and bridge construction/upgrades

As a result of recent infrastructure improvements, all-weather access roads now border the property in the form of the Galore Creek Access Road to the north, and the Northwest Hydroelectric Facilities Access Roads to the south. The intake for the McLymont Power Plant (part of the Northwest Hydroelectric Facilities) completed in Fall 2016 sits within the Newmont Lake Property at its southern border.

Upgrades to Highway 37 and the Port of Stewart in recent years are a result of commercial production achieved at the Red Chris Mine and the Brucejack Mine both within the last five years. Large private sector investments within the area of the past 2 years include Newcrest Mining’s 70% JV purchase of the Red Chris Mine from Imperial Metals, Newmont’s purchase of a 50% stake in the Galore Creek Mining Corporation (GCMC) JV with Teck Resources, and Manulife Financial, Axiom Infrastructure, and the Tahltan Central Government’s \$2.5 billion purchase of the Northwest Hydroelectric Facilities from AltaGas.

The Property is currently accessed via helicopter from the Bob Quinn Airstrip, a 4,100ft gravel airstrip which can be accessed by air, or by Highway 37. Since, acquiring the Property, the Company has invested in significant property infrastructure improvements which include:

- Bob Quinn Staging Facility: COVID-19 isolation facilities, 4,100ft airstrip, highway access, heavy equipment storage, communication network.
- Newmont Lake Base Camp: Up to 50-person capacity (expandable), 1,300ft airstrip, drilling equipment, heavy equipment storage, communications infrastructure.

Further infrastructure improvements currently being analyzed by the Company include winter trail access to the Newmont Lake Base Camp, infrastructure improvements, and expansion of the Newmont Lake Base Camp's airstrip to allow for service of larger aircraft. The Company views that further infrastructure, logistical improvements may significantly decrease exploration drilling costs.

The Property is fully permitted to conduct various mineral exploration activities (including diamond drilling) until 2024, with mineral claims remaining in "good-standing" until 2030.

Both permits and claim standing are extendable indefinitely at the Company's discretion subject to the laws and regulations of the Province of British Columbia upheld by the Ministry of Energy, Mines, and Petroleum Resources. The Property sits within the traditional territory of the Tahltan First Nation; an industrious First Nation with a long history in the mining industry, including the Tahltan Nation Development Corporation ("TNDC"). There are currently 2 active mines within Tahltan traditional territory, and a 3<sup>rd</sup> mine recently placed on care and maintenance due to low zinc prices.

The Newmont Lake Property is subdivided into four different project areas of geological interest according to their prospectively different deposit types and associated metals within those deposit environments. These 4 projects include:

**McLymont Project** – high-grade gold, copper, and silver associated with the >20km long McLymont Fault.

**Cuba** -high-grade silver, gold, zinc, lead, copper associated with the >30km long McGillivray Fault.

**Chachi Corridor** – large, multi-element, hydrothermal system associated with the >30km long McGillivray Fault.

**Burgundy Trend** – alkalic copper-gold porphyry geologically similar to neighboring Galore Creek deposit.

During the 2019 exploration season, the Company undertook a wide variety of exploration work across the entire Property area consisting of 3,100 soil samples, 1,700 rock samples, 4,500 hyperspectral samples, 700 core samples from historic un-sampled core, 12 line-km of induced polarization (IP) geophysics, over 300km<sup>2</sup> of geological mapping, 6,546m of exploration diamond drilling, and construction of the Newmont Lake Base Camp and Bob Quinn Staging.

### **McLymont Project**

The McLymont Project is a 70 km<sup>2</sup> area that the Company views as being prospective for high-grade gold deposits of varying styles associated with the >20km long McLymont Fault. The McLymont Fault is a regional-scale geological structure that is the western-bounding normal fault of the Newmont Lake Graben; a geological feature that dominates the center of the whole Newmont Lake Property.

In October 2018, the Company attempted 2 reverse circulation ("RC") drill holes which were unsuccessful at reaching their target depth due to downhole conditions that were not suitable with the drilling technique and poor weather conditions. RC drilling was part of a total 6 hole RC drill program consisting of the first drilling ever completed at Burgundy Ridge (see Burgundy Project).

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In September 2019, the Company released its first diamond drilling results from the McLymont Project highlighted by NW19-012 which intersected 188m of 1.10 g/t Au, 1.15 g/t Ag, and 0.09% Cu starting at 67.0m, including 44.13m of 4.03 g/t Au, 4.06 g/t Ag, and 0.29% Cu starting at 82.0m. NW19-012 is the Company's first drill hole into a newly identified zone called the NE Extension; an area immediately along strike of the historic NW Zone, confirming that the deposit remains open adjacent to the McLymont Fault extending northeast. Secondly, the Company's technical team was successful in identifying three different gold mineralization styles within NW19-012 including skarn, epithermal, and porphyry-like mineralization helping to redefine geological theory of the area as being a high-grade gold skarn deposit near-surface, with gold being transported in high to ultra-high-grade epithermal veins known as "feeder structures", and an ultimate porphyry source hypothesized at depth. NW19-017 provided further evidence of the new theory having intersected high-grade feeder structures underneath/adjacent to the skarn body including 1.62m of 14.84 g/t Au within 18.31m of 1.80 g/t Au starting at 189.00m, and 1.50m of 9.33 g/t Au, 16.29 g/t Ag, and 0.82% Cu starting at 80.24m.

In July 2020, the Company released information from a comprehensive technical review (on-going) of the McLymont Project, which included sampling of historic drill core that was previously unsampled and/or unreported.

R-08-07 drilled by Romios Gold Resources intersected 144m of 3.18 g/t Au, 3.66 g/t Ag, and 0.06% Cu starting at 9.51m depth, including coarse visible gold in ultra-high-grades of 0.44m of 753 g/t Au, 462 g/t Ag, and 0.69% Cu starting at 25.25m depth. Further analysis of R-08-07 also recognizes 3 gold mineralization styles similar to NW19-012 drilled 150m away to the northeast.

Hole ID:	From (m)	To (m)	Core Length (m)	Gold Uncut (g/t)	Gold Cut (g/t)*	Ag (g/t)	Cu (%)
New R-08-07	9.51	153.51	144.00	3.18	1.12	3.66	0.06
Including	20.01	75.71	55.7	7.51	2.15	8.82	0.08
Including	25.25	25.69	0.44	753	75.3	462.00	0.69
Including	75.71	153.51	78.91	0.49	0.49	0.32	0.04
Including	89.97	90.98	1.01	12.88	12.88	1.95	0.35

\*0.44m of 753 g/t Au cut by 90% to 0.44m of 75.3 g/t Au. True widths are unknown of mineralized intervals.

Further, The Company has identified a total of 8 ultra-high-grade gold intervals (>100 g/t Au) interpreted to represent coarse visible gold drilled within a 150m radius of R-08-07 from drilling completed between 1987-1990. The skarn horizon consistently intersects high-grade gold mineralization, but ultra-high grades are erratic and difficult to reproduce in diamond drill core. Gold grades within the near-surface skarn horizon in R-08-07 are represented by 55.7m of 7.51 g/t Au, 8.82 g/t Ag, and 0.08% Cu.

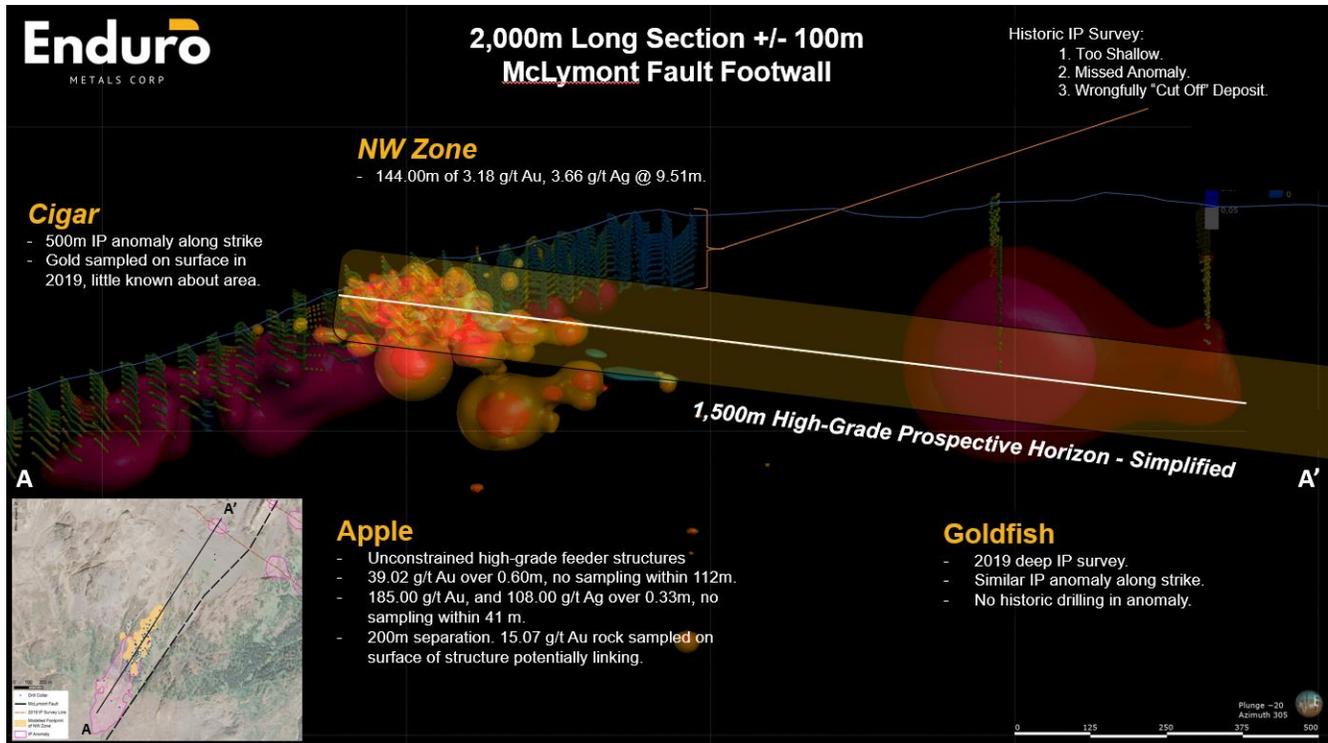
Hole ID:	From (m)	To (m)	Core Length (m)	Gold (g/t)
NW87-29	66.7	67.7	1.0	504.35
NW88-35	40.30	41.40	1.1	172.7
NW89-02	30.40	30.60	0.2	117.0
NW89-51	15.90	16.30	0.4	277.0
NW90-18	105.6	106.4	0.8	903.99
NW90-31	10.1	10.8	0.7	113.9
R-08-05	263.47	263.8	0.33	185.0
R-08-07	25.25	25.69	0.44	753.0

Historic ultra-high-grade intersects (>100 g/t Au) interpreted as coarse-grained visible gold as distinct grains in diamond drill core. True widths are unknown of mineralized intervals. The assay information provided in Table 2 has been verified by the Company's QP using historic analytical reports from various 3rd party laboratories. It is noted that assay results in Table 2 are historic and historic sampling methods were not directly supervised by the Company's QP. The Company's QP supervised 2019 infield work which involved logging and assaying of some historic drill core not included in Table 2. Limitations exist with respect to verification of XYZ locational information of diamond drill hole collars due to lack of infield casing or casing cap markers.

Lithological, geophysical, and hyperspectral modelling along the McLymont Fault has identified numerous new high-grade gold targets, and additional data which further bolsters the Company's geological theory suggesting

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significant potential to host a high-grade gold deposit along a 1,500m long prospective horizon potentially linking the NW Zone and NE Extension with a newly identified area known as Goldfish.



*McLymont Fault 2,000m long section highlighting a prospective gold horizon connecting NW Zone and Goldfish. The Apple targets are hypothesized to be narrow, high-grade feeder structures to the NW Zone. Little is known about their potential depth extend, and little is known about Cigar at this time.*

In August 2020, the Company resumed diamond drilling at the McLymont Project as part of a planned 6,000m diamond drill program which includes step-out drilling along the NE Extension, and testing additional high-grade gold targets that exist around the main skarn body. Field crews have also begun geophysical, geochemical, and hyperspectral surveys advancing in front of diamond drilling designed to collect data in real-time. Further investigations are also underway at The Ken Zone; an area located 3km north of the NW Zone that was first identified by Newmont Mining in 1961 to be prospective for high-grade gold and copper. Recent surface sampling in 2018 by Romios Gold includes a chip sample of 4.0m of 11.22 g/t Au, 4.12% Cu, and 43.54 g/t Ag. No drilling has been completed at this target to date. Enduro is currently investigating possible relationships between the Ken Zone and McLymont Fault gold mineralization 3km to the south.

**Burgundy Project**

The Burgundy Project is a 206km<sup>2</sup> area approximately 15km west of the McLymont Fault that the Company views as being prospective for alkalic copper-gold porphyry deposits similar to Newmont/Teck's Galore Creek Project located approximately 25km to the northwest along the arc-trend.

In November 2018, the Company completed a six-hole reverse circulation ("RC") drill program with 4 of the holes targeting Burgundy Ridge, one of the main copper-gold surface showings within the Burgundy Project. Burgundy Ridge is described as a 500m long x 1,500m wide series of outcroppings consisting of a suite of megacrystic - trachytic syenites in contact with a large limestone horizon consistent with the Stikine Volcanic Package.

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The area is also dominated by a >1km wide epidote-garnet +/- diopside hydrothermal breccia; both of which characteristics are synonymous with the Galore Creek silica-undersaturated alkalic porphyry system at Galore Creek. Copper and gold sulphide mineralization is widespread proximal to the contact of the limestone, with regular but less-frequent occurrences of copper and gold mineralization found on surface along the rest of Burgundy Ridge.

In March 2019, the Company discovered early indications that copper and gold mineralization extended with depth from the first-ever diamond drilling at Burgundy Ridge with all 4 RC drill holes intersecting copper, gold, and silver mineralization associated with skarn alteration. Exploration was limited due to weather conditions and drilling techniques not suitable with the ground conditions of the area.

In October 2019, the Company announced results from two diamond drill holes completed at Burgundy Ridge representing the first-ever diamond drill holes at the target. BR19-002 intersected 91.26m of 0.38% Cu, 0.30 g/t Au, and 4.12 g/t Ag starting at 36.7m depth containing a higher-grade core of 25.78m of 0.73% Cu, 0.63 g/t Au, 9.36 g/t Ag, and 0.11% Zn starting at 82.22m.

During 2019 exploration at the Burgundy Project, surficial lithological, alteration, and hyperspectral mapping identified a second area of interest for alkalic copper-gold porphyry mineralization at the 72' Zone. First-ever diamond drilling at the 72' Zone in 2019 was successful in intersecting 56.35m of 0.45% Cu, 0.33 g/t Au, and 3.44 g/t Ag starting at 225m depth of hypogene chalcopyrite-bornite mineralization associated with potassic alteration typical of large alkalic porphyry deposits. The intersect saw considerably higher-grades in zones where secondary biotite alteration was observed along with more intense K-feldspar and hematite alteration including 22.28m of 0.89% Cu, 0.71 g/t Au, and 6.65 g/t Ag starting at 228m depth. Spacing between diamond drilling conducted at Burgundy Ridge and the 72' Zone is 2.3km.

In January 2020, the Company announced results from a high-grade copper, gold, silver, and zinc heterolithic hydrothermal breccia discovered late in the 2019 exploration season known as the Green Rock Zone. Surface trench/channel sampling at Green Rock cut a continuous 37.00m of 1.31% Cu, 2.97% Zn, 1.49 g/t Au, and 23.26 g/t Ag, including 22.00m of 2.00% Cu, 4.69% Zn, 2.27 g/t Au, and 34.36 g/t Ag. The Green Rock trench is located approximately 340m southeast of the first diamond drilling at Burgundy Ridge, and represents a new, high-grade, multi-element target which has yet to be drilled.

Channel Sample BRCH19-01's final 7.00m cut 0.46% Cu, 0.53 g/t Au, 10.33 g/t Ag, and 0.32% Zn on surface of strong to intense potassic altered rock mineralized with a chalcopyrite stockwork. The protolith is unknown due to intensity of K-feldspar alteration. Specific clasts within Green Rock's heterolithic hydrothermal breccia are potassic-altered, trachytic syenites with chalcopyrite stockwork. These clasts are highly significant as they are synonymous with the mineralization observed in the final 7.00 metres of BRCH19-01. This relationship is early evidence for a minimum of 2 mineralization events and styles at Burgundy Ridge, and further evidence for a large alkalic porphyry intrusion at depth.

In June 2020, the Company announced further drilling results from the Burgundy System, which include a deeper intersect from BR19-016 of 51.38m of 0.46% Cu, 1.22% Zn, 0.17 g/t Au, 9.98 g/t Ag, and 0.16% Pb starting at 343.66m depth. This includes 30.33m of 0.64% Cu, 2.00% Zn, 0.25 g/t Au, 13.57 g/t Ag, and 0.25% Pb. The interval is believed to be an offshoot of the Green Rock Breccia discovered late in the season, but it does not believe it is the main system as the intersect is offset by the BRCH-01 trench by 75m horizontal, and is approximately 275m below the trench separated by a large block of barren limestone. The drill interval demonstrates mineralization extends under areas of receding ice and snow with significant depth potential.

Diamond drill hole BR19-13 drilled 250m north of Green Rock intersected an interval of 184.67m of 0.21% Cu, 0.14 g/t Au, 3.70 g/t Ag, and 0.17% Zn starting at surface with grades as high as 8.98% Cu, 2.36% Zn, 0.62 g/t Au, 35.97 g/t Ag. Mineralization consists of disseminated and vein-hosted chalcopyrite locally weathering to chalcocite/malachite near-surface in "skarn-like" alteration and lithology. Intervals of high-grade mineralization are locally massive chalcopyrite with disseminated and vein-hosted chalcopyrite, sphalerite, and pyrite thought to be distal offshoots of Green Rock breccia mineralization.

Diamond drill hole BR19-04 intersected 1.50m of 15.05 g/t Au and 4.03 g/t Ag starting at 149.00m depth. These are the first signs of a potential high-grade gold system adjacent to the current target area and is the second of two targets which were intersected underneath receding ice and snow. Little is known about the high-grade gold mineralization at this time.

Further drilling at Ridge West successfully intersected what are thought to be additional offshoots of the Green Rock breccia more than 400m away from the theorized epicentre. Grades as high as 1.00m of 6.70% Cu and 55.9 g/t Ag within 2.60m of 3.64% Cu and 32.32 g/t Ag were encountered at 262.35m.

Diamond drill hole BR19-04 intersected strong k-feldspar alteration within a narrow syenite dyke haloed by strong biotite alteration of the host volcanic rock averaging 0.41 g/t Au, 1.64 g/t Ag, and 0.07% Cu in the final 23.00m of the 438.00m deep diamond drill hole. Localized biotite alteration graded as high as 1.74 g/t Au, 5.04 g/t Ag, and 0.09% Cu over 4.6m. The drill hole was unable to continue due to logistical constraints, but casing and the drill pad remain in place for re-entrance. This intersection provides important geological data for vectoring into the center of alkalic porphyry mineralization at Burgundy Ridge.

Drilling from the maiden diamond drill program at Burgundy Ridge is shallow and minimal relative to the size of the target area and the scale of alkalic copper-gold porphyry deposits. First-pass drilling results from the Burgundy Project indicate geological similarities to alkalic porphyry deposits like Cadia/Ridgeway, North Parkes, Galore Creek, Red Chris, Mt. Milligan, and Mt. Polley.

On January 18<sup>th</sup>, 2021, the Company reported a geochronology study led by Dr. Kyle Larson at The University of British Columbia | Okanagan Campus that has shown that certain intrusive rocks at Burgundy are coeval with the Galore Creek Suite – the namesake of the rock-types forming the neighboring Galore Creek deposit. Galore Creek is a world-class alkalic porphyry deposit located 30km northwest of Burgundy. Investments to date on the Galore Creek project total nearly \$1 billion USD, and the project is owned in a 50/50 joint venture between Newmont Mining and Teck Resources.

The Company's current focus is on expanding and discovering new high-grade gold mineralization along the McLymont Fault, however, the Burgundy Project remains to be a high-quality copper-gold target that has the potential to create long-term value for the Company.

### **Chachi Corridor**

On October 10, 2019, the Company announced the discovery of an entirely new multi-element hydrothermal system in the Chachi Corridor ("Chachi") containing high grade gold (Au), silver (Ag), copper (Cu), nickel (Ni), cobalt (Co), zinc (Zn) and lead (Pb) mineralization spread over a massive area 8km long x 4km wide east of the Newmont Lake Gold Corridor, along the Eskay Rift, in the heart of the Golden Triangle. At least three different styles of mineralization over the expansive area have returned assays from multiple samples, in different occurrences from surface outcrop (in-situ grab and chip samples) ranging up to 21.03 g/t Au (gold), 2,350 g/t Ag (silver), 5.4% Cu (copper), 7.7% Ni (nickel), 0.85% Co (cobalt), 15.2% Zn (zinc) and 6.2% Pb (lead). The mineralized system runs along the eastern side of the McLymont Fault and is coincident with a continuous >2km long geophysical anomaly.

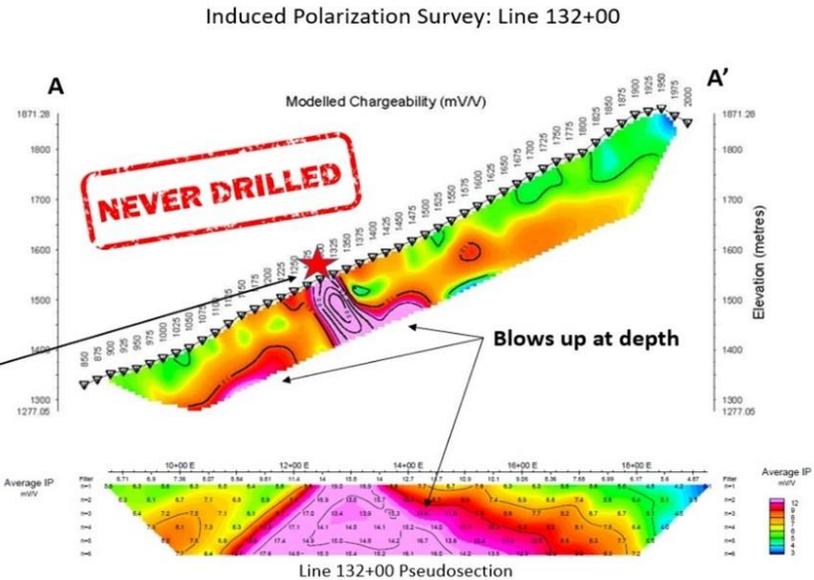
Multi-element soil geochemical data and rock samples from newly discovered occurrences point to a multi-element geochemical anomaly spread over an 8 km by 4 km footprint spatially associated with the fertile McLymont Fault structure including high-grade Au-Ag-Cu sulphide (gold, silver, copper sulfide), high-grade Ag-Zn-Cu-Pb (silver, zinc, copper, lead), and high-grade Ni-Co-Cu-Ag arsenide/sulphide (nickel, cobalt, copper, silver arsenide associated with stockwork copper sulfide mineralization).

A Induced Polarization ("IP") ground geophysics survey in 2019 has detected a chargeable conductive anomaly within the soil chemical anomalies and occurrences in the footwall of the McLymont Fault. Over 2000 soil samples, 2000 hyperspectral measurements, and 800 rock samples were collected from this area.

On February 18<sup>th</sup>, 2021, the Company announced that 3-dimensional inversion modelling of geophysical and geochemical surveys completed over the Chachi Corridor successfully established a direct correlation with high-grade copper and silver mineralization and a highly chargeable 850-metre x 600-metre anomaly located immediately beneath the copper-silver showings. This is early evidence suggesting mineralization may continue to significant depths.

## Chachi

- High-grade Copper – Silver on Surface
- In-situ rock samples where anomaly **outcrops at surface**:
  - 5.36% Cu, and 35.82 g/t Ag
  - 2.74% Cu, and 301 g/t Ag
  - 1.88% Cu, and 172 g/t Ag
  - 1.16% Cu, and 64.99 g/t Ag
  - 1.00% Cu, and 47.30 g/t Ag



*Cross-section of Line 132+00 which crosses directly overtop of a 120m long surface showing of high-grade copper and silver mineralization. Chargeability appears to directly correlate with mineralization on surface.*

## Cuba

The Cuba Project is a series of polymetallic, high-grade silver, gold, zinc, copper, and lead occurrences all associated with the >30km long McGillivray Fault, which is the east-bounding structure to the Newmont Lake Graben dominating the center of the Newmont Lake Project. There is virtually no historic drilling along the >30km trend except for two diamond drill holes drilled by a prospector in 1988 that totaled just 133 meters.

Surface rock samples taken by Enduro in 2019 include grades as high as 2,350 g/t Ag, 15.20% Zn, 1.30% Cu, and 0.59% Pb as well as 2,338 g/t Ag, 12.90% Zn, 1.60% Cu, and 0.16% Pb. Chip channel sampling at another outcrop along the trend in 2019 returned 2.4 meters of 1,071 g/t Ag, 9.30% Zn, 0.37% Cu, and 2.0% Pb as well as 4.8m of 728 g/t Ag, 7.70% Zn, 0.19% Cu, and 6.2% Pb. None of the prospective areas identified by Enduro at Cuba have been drilled to date.

Cuba was a high-priority target area for additional grassroots exploration in 2020 to build off early-stage success and potential seen in the area in 2019. Importantly, Cuba is a low-elevation target located close to the Newmont Lake Base Camp.

The Company is currently designing an exploration strategy which may have the potential to let the Company explore via diamond drilling for extended period of the year relative to the standard exploration season window typical of the Golden Triangle.

**Tom Cat Project, Aspen Grove, British Columbia, Canada**

The Tom Cat Property is a 687 hectare property located approximately 25 km southeast of Merritt in south-central British Columbia. It is in the southern portion of an area of hilly upland situated in the centre of the Aspen Grove copper camp, known as the Fairweather Hills. It is accessed by taking highway 5A southeast from Merritt to Bates Road, then east along Bates Road until 674290 E, where a logging road heads south onto the property. The property is covered by forest on the higher ground, with grassland at lower elevations. Slopes are generally gentle to moderate. The property ranges in elevation from about 1285 m in the central to northwest of the property, to about 1040 m in the north-south trending valleys on the east and west sides of the property. Snow can be expected from November to April.

The Fairweather Hills region is underlain by the Central Volcanic Facies of the Upper Triassic Nicola Group, comprising intermediate, feldspar and feldspar augite porphyritic pyroclastics and flows, associated alkaline intrusions, and minor sedimentary rocks. The intrusions vary from diorite to monzonite in composition and are thought to be comagmatic with the Nicola Group, ranging in age from Late Triassic to Early Jurassic.

The Tom Cat Property is 100% owned by the Company with no retained interests by any party. Two private lots overlie part of the western side of the property.

Old workings, including pits, trenches, short adits and shafts, are encountered frequently on the property dating back to the early 1900's. Approximately 15 – 20 diamond drill holes were drilled on the property up to 1967, but are poorly documented. Various soil and geophysical surveys have been conducted intermittently over most of the property from the 1960's to 2006. Bold Ventures Inc. Drilled 4 holes on the property in 2007, totalling 754.1 m. One of the holes drilled at the Tom Cat Prospect returned 0.54% Cu over 5.6 m.

The Company has begun a thorough data amalgamation of the project area to determine the future of the asset.

## MANAGEMENT DISCUSSION AND ANALYSIS FOR THE NINE MONTHS ENDED JUNE 30, 2021

### Results of Operations

#### Summary of Quarterly Financial Results

Quarter ended	2021 Jun 30 Q3	2021 Mar 31 Q2	2020 Dec 31 Q1	2020 Sep 30 Q4	2020 Jun 30 Q3	2020 Mar 31 Q2	2019 Dec 31 Q1	2019 Sep 30 Q4
<b>Loss per quarter</b>	\$ (439,063)	\$ (592,384)	\$ (345,204)	\$ 148,939	\$(1,027,927)	\$ (351,188)	\$ (838,523)	\$(6,770,282)
<b>Basic and fully diluted loss per share</b>	\$(0.00)	\$(0.00)	\$(0.00)	\$0.00	\$(0.01)	\$(0.00)	\$(0.01)	\$(0.08)
<b>Total Assets</b>	\$22,104,985	\$22,091,250	\$22,715,172	\$22,891,808	\$12,827,860	\$12,850,513	\$15,371,225	\$14,886,203

#### Three months ended June 30, 2021, compared to the three months ended June 30, 2020:

	2021	2020	Note
<b>EXPENSES</b>			
Amortization	\$ 2,401	\$ 895	1
Management and consulting fees	132,000	83,175	2
General, rent and administrative (recovery)	12,006	(2,116)	
Corporate communications	142,172	-	3
Office and miscellaneous	17,182	19,018	
Interest in mortgage payable	-	7,405	
Professional fees	11,769	40,448	4
Regulatory and compliance fees	3,552	6,397	
Other income on reversal of flow-through premium	-	(1,600)	
Salaries	-	386	
Share-based compensation	116,644	828,603	5
Travel	1,337	45,316	
<b>Loss and comprehensive loss for the period</b>	(439,063)	(1,027,927)	6
<b>Basic and diluted loss per common share</b>	\$ (0.00)	\$ (0.01)	6

- During the quarter, the Company purchased new computer equipment and equipment for exploration and evaluation activities. As a result, amortization for the period increased \$1,506, compared to the same quarter last year.
- Management and consulting fees for the quarter increased by \$48,825 as result of an increase in the number of consultants used and the fees paid to such consultants compared to same quarter last year. During the comparable quarter, the Company was going through a transition to a new management team and no fees were paid.
- In August and September 2020, the Company initiated several new company awareness campaigns. The increase in corporate communications expenses of \$142,172 during the quarter represents the amortized portion of these costs during the quarter.

**MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE NINE MONTHS ENDED JUNE 30, 2021**

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4. Professional fees decreased by \$28,679 compared to Q3 2020 as the result of lower legal and accounting fees.
5. During the quarter the Company recorded \$116,644 in share-based payments. \$41,400 of the amount related to vesting of 688,000 new options that were granted during the quarter. \$75,244 related to options that were previously issued but vested during the current period. No share-based payments were recorded in comparable period for 2020.
6. Travel expense decreased by \$43,979 compared to the same quarter in 2020 as the result of almost no travel due to COVID-19.
7. As a result of the foregoing, the loss from operations for the three months ended June 30, 2021, was \$439,063 compared to a loss of \$1,027,927 in the comparable quarter. The reduction in loss resulted in a marginal change to basic and diluted loss per share.

## MANAGEMENT DISCUSSION AND ANALYSIS FOR THE NINE MONTHS ENDED JUNE 30, 2021

Nine months ended June 30, 2021, compared to the nine months ended June 30, 2020:

	2021	2020	Notes
<b>EXPENSES</b>			
Amortization	\$ 7,204	\$ 4,038	1
Management and consulting fees	551,219	795,757	2
General, rent and administrative	37,222	64,776	3
Interest on mortgage payable	-	22,214	4
Gain on disposal of share ownership of Sassy	-	(148,665)	5
Gain on dissolution of subsidiary	(80,684)	-	6
Corporate communications	448,840	158,230	7
Office and miscellaneous	47,776	180,664	8
Professional fees	132,849	207,110	
Regulatory and compliance fees	89,220	18,804	9
Other income on reversal of flow-through premium	-	(119,105)	
Other income	(179,568)	-	10
Salaries	-	1,726	
Share-based compensation	323,227	828,603	
Travel (recovery)	(654)	29,786	11
Write-off of accounts payable	-	(1,500)	
Write-off of equipment	-	14,690	
Write-off of receivables	-	17,309	
Write-off of exploration and evaluation assets	-	143,201	
<b>Loss and comprehensive loss for the period</b>	<b>\$ (1,376,651)</b>	<b>\$ (2,217,638)</b>	
<b>Basic and diluted loss per common share</b>	<b>\$ (0.01)</b>	<b>\$ (0.02)</b>	

- During the period, the Company purchased new computer equipment and equipment for exploration and evaluation activities. As a result, amortization for the period increased \$3,166, as compared to comparable period in 2020.
- Management and consulting fees were \$551,219 for the period compared to \$795,757 in 2020, a decrease of \$244,538. The decrease is due to fewer consultants used during the period and reduced consulting fees paid to consultants during the period.
- General, rent and administrative expenses decreased by \$27,554 for the period as the result of the Company's cost reduction mandates, compared to the same period in 2020.
- The Company extinguished its mortgage payable in the fiscal year ended September 30, 2020, and therefore interest on mortgage was \$Nil compared \$22,214 in the comparable period.
- Gain on disposal of share ownership of Sassy was \$Nil compared to \$148,665 in 2020 due to the Company's effective interest in Sassy being diluted to 0.00011% during the prior period. There were no such transactions in the current period.
- Gain on dissolution of subsidiary of \$80,684 (2020 - \$Nil) from dissolution of Sierra Iron Ore USA due to inactivity. This is a one-time gain.

7. Corporate communications costs for the period were \$448,840 compared to \$158,229 in the comparable period in 2020, an increase of \$290,611. In August and September 2020, the Company initiated a number of new company awareness campaigns.
8. Office and administrative expenses decreased by \$132,888 during the current period, as compared to same period in 2020, as the result of the Company's cost reduction mandates. The Company intends to continue its cost reduction mandates for the foreseeable future.
9. Regulatory and compliance fees increased to \$89,220 (2020 – \$18,804) due to filing fees to list on the OTCQB. These fees were mostly one-time registration fees.
10. Other income relates to proceeds on a settlement of \$150,000 and \$29,568 (2020 - \$Nil) from Geoscience BC for sharing technical information. These are one-time fees that are not expected to continue.
11. Travel decreased to an immaterial recovery of \$654 compared to an expense of \$29,786 in the same period for 2020. The decrease is due to less corporate travel as a result of Covid -19.
12. As a result of the foregoing, the loss from operations for the nine months ended June 30, 2021, was \$1,376,651 compared to a loss of \$2,217,638 in the comparable period in 2020. The decrease in loss resulted in a basic and diluted loss per share of \$0.01 for the period ended June 30,2021, compared to a loss \$0.02 per share in the comparative period in 2020.

### **Liquidity, Capital Resources and Capital Expenditures**

The continued operations of the Company are dependent on its ability to develop a sufficient financing plan, receive continued financial support from related parties, complete sufficient public equity financing, or generate profitable operations in the future and in addition, its continuing operations are dependent upon its ability to identify, evaluate and negotiate an agreement to acquire an interest in a material asset or business.

The Company will take appropriate measures to raise the necessary funding through private placements, exercising of stock options, warrants and/or credit facilities to address its liabilities and to continue operations.

At June 30, 2021, the Company's working capital, defined as current assets less current liabilities, was \$2,995,740, a decrease of \$2,345,635 in working capital as compared to \$5,341,375 at September 30, 2020.

During the period from October 1, 2020 to August 30, 2021, the Company:

- i) issued 3,213,010 common shares pursuant to exercise of warrants for gross proceeds of \$599,702.
- ii) issued 4,000,000 common shares valued at \$800,000 pursuant to the acquisition of the Newmont Lake Property.
- iii) cancelled 400,000 common shares which were issued in error during a private placement in August 2020.
- iv) returned 1,420,000 common shares to treasury pursuant to a settlement agreement.

The Company's cash is mainly in Canadian dollars. The Company is subject to only minor exchange rate fluctuations relative to the reporting currency.

The Company has not made any arrangements for sources of financing that remain undrawn.

## **Contractual Obligations and Loans**

During the year ended September 30, 2020, the Company received a loan of \$40,000 for the Canada Emergency Business Account to provide emergency support to business due to the impact of COVID-19. The loan is non-interest bearing until December 31, 2022, after which it will incur interest at 5% per annum. If the principal of \$30,000 is fully repaid on or before December 31, 2022, the remaining \$10,000 will be forgiven.

During the period ended June 30, 2021, the Company received a loan of \$20,000 for the Canada Emergency Business Account to provide emergency support to business due to the impact of COVID-19. The loan is non-interest bearing until December 31, 2022, after which it will incur interest at 5% per annum. If the principal of \$10,000 is fully repaid on or before December 31, 2022, the remaining \$10,000 will be forgiven.

The Company has no other long-term debt outstanding or contractual obligations other than those contained in option agreements respecting its mineral properties.

## **Financial Risk Factors**

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

The carrying value of the Company's receivables, accounts payable and accrued liabilities, due to related parties, and loans payable approximate their fair value because of the short-term nature of these instruments. Cash is carried at a fair value using a level 1 fair value measurement. Loans payable are accounted for using the effective interest rate method.

### *Credit risk*

Credit risk is the risk of loss associated with counterparty's inability to fulfil its payment obligations. The Company's management believes it has no significant credit risk.

### *Liquidity risk*

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. At June 30, 2021, the Company had a cash balance of \$2,834,775 (September 30, 2020 – \$6,494,870) to settle current liabilities of \$701,945 (September 30, 2020 – \$1,862,782). The Company received a refund of \$1,529,000 subsequent to June 30, 2021, (not included in the cash balance above) relating to its successful BC Mining Exploration Tax claim. All of the Company's accounts payable and accrued liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms. The Company expects to fund these liabilities through the use of existing cash resources and additional equity financing.

### *Market risk*

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

#### a) Interest rate risk

The Company has cash balances held with financial institutions. The Company is satisfied with the credit rating of its bank.

#### b) Foreign currency risk

The Company is exposed to foreign currency risk on fluctuations related to cash and accounts payable and accrued liabilities that are denominated in a foreign currency. As at June 30, 2021, the Company had minimal cash amounts in foreign currencies and considers foreign currency risk insignificant.

c) Price risk

The Company's net income or loss, and ability to raise capital to fund exploration and evaluation activities is subject to risks associated with fluctuations in mineral 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.

**Capital Management**

The Company's primary objectives in capital management is to safeguard its ability to continue as a going concern in order to provide return for shareholders and to maintain sufficient funds to finance its exploration and evaluation interests. Capital is comprised of the Company's shareholders' equity. As at June 30, 2021, the Company's shareholders' equity was \$21,343,040 (September 30, 2020 – \$20,989,026).

The Company manages its capital structure to maximize its financial flexibility by making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital and is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management during the period ended June 30, 2021.

**Off Balance Sheet Arrangements**

The Company did not have any off-balance sheet arrangements as at June 30, 2021.

**Related Party Transactions and Key Management Compensation**

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

(a) Key management personnel

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers and companies controlled by them. The remuneration of directors and other members of key management personnel during the period ended June 30, 2021 and 2020 were as follows:

	2021	2020
Consulting Fees	\$ 418,533	\$ 256,117
Share-based payments	91,006	114,899
	<b>\$ 509,539</b>	<b>\$ 371,016</b>

(b) Amounts due to/from related parties

Included in due to related parties as at June 30, 2021 is \$Nil (September 30, 2020 - \$388,580) due to directors, former directors, companies controlled by directors and a company with common directors.

Included in due from related parties as at June 30, 2021 is \$120,057 (September 30, 2020 - \$Nil) due to advances to a former officer.

During the year ended September 30, 2020, the Company wrote off the related party's receivable from a company with common directors of \$17,308 due to uncertainty in collection.

**Outstanding Share Information at August 30, 2021**

Authorized Capital

Unlimited common shares without par value.

Issued and Outstanding Capital

205,507,769 shares outstanding

Stock Options and Warrants Outstanding

The following stock options were outstanding **August 30, 2021**:

Expiry Date	Exercise Price	Number of Options	Number of Options Exercisable
June 24, 2024	\$ 0.35	470,000	470,000
June 17, 2025	\$ 0.12	7,900,000	7,900,000
June 30, 2025	\$ 0.22	1,000,000	1,000,000
June 1, 2021	\$ 0.23	150,000	37,500
June 1, 2021	\$ 0.38	538,000	538,000
		9,620,000	5,495,500

The following warrants were outstanding at **August 30, 2021**:

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Number of Warrants	Exercise Price	Expiry Date
2,396,667	\$ 0.35	September 12, 2021
136,040	\$ 0.35	September 24, 2021
100,000	\$ 0.45	September 24, 2021
150,000	\$ 0.20	November 19, 2021
182,400	\$ 0.15	November 19, 2021
1,287,000	\$ 0.20	December 19, 2021
117,600	\$ 0.15	December 19, 2021
153,923	\$ 0.20	December 20, 2021
357,000	\$ 0.20	December 31, 2021
1,722,800	\$ 0.15	December 31, 2021
40,390,000	\$ 0.38	February 17, 2022
844,851	\$ 0.38	February 17, 2022
241,849	\$ 0.50	February 17, 2022
10,277,000	\$ 0.15	November 19, 2024
12,647,000	\$ 0.15	December 19, 2024
71,004,130		

**Uncertainties and Risk Factors**

Being in the exploration stage, the Company will face a variety of risks, and while unable to eliminate all of them, the Company aims at managing and reducing such risks as much as possible. The Company faces a variety of risk factors such as project feasibility, risks related to determining the validity of mineral property title claims, commodities prices, political and environmental laws and regulations. Management monitors its activities and those factors that could impact them in order to manage risk and make timely decisions.

**Financial Instruments**

Please refer to the June 30, 2021, unaudited condensed interim consolidated financial statements on [www.SEDAR.com](http://www.SEDAR.com) for financial instrument information.

**New Accounting Policies and New Accounting Pronouncements**

Please refer to the June 30, 2021, unaudited condensed interim consolidated financial statements on [www.SEDAR.com](http://www.SEDAR.com) for newly adopted accounting policies and recent accounting pronouncements.

### **Change in Auditor**

Effective April 6, 2021, the Company engaged Manning Elliott LLP as new Auditor's replacing Davidson & Company LLP.

### **Subsequent Event**

Subsequent to June 30, 2021, the Company received its tax refund for the British Columbia Mining Tax Credit of \$1,527,068, inclusive of approximately \$29,000 of interest.

### **Cautionary Statement**

Certain information contained in this MD&A constitutes "forward-looking information" within the meaning of applicable Canadian securities laws. Such forward-looking information may include, but is not limited to, information which reflects management's expectations regarding the Company's future growth, results of operations (including, without limitation to future production and capital expenditures), timing and content of upcoming work programs and exploration budgets, geological interpretations, receipt of property titles, and potential mineral recovery processes, performance (both operational and financial) and business prospects (including the timing and development of new deposits and the success of exploration activities) and opportunities. Often, this information includes words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate" or "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

In making and providing the forward-looking information included in this MD&A the Company's assumptions may include among other things: (i) assumptions about the price of base metals; (ii) that there are no material delays in the optimization of operations at the exploration and evaluation assets; (iii) assumptions about operating budgets, costs and expenditures; (iv) assumptions about exploration and assay results, (v) assumptions about estimated drilling success rates and other prospects, (vi) assumptions about future production and recovery; (vii) that there is no unanticipated fluctuation in foreign exchange rates; and (viii) that there is no material deterioration in general economic conditions. Although management believes that the assumptions made and the expectations represented by such information are reasonable, there can be no assurance that the forward-looking information will prove to be accurate. By its nature, forward-looking information is based on assumptions and involves known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements, or results, to be materially different from future results, performance or achievements expressed or implied by such forward-looking information. Such risks, uncertainties and other factors include among other things the following: (i) decreases in the price of base metals; (ii) the risk that the Company will continue to have negative operating cash flow; (iii) the risk that additional financing will not be obtained as and when required; (iv) material increases in operating costs; (v) adverse fluctuations in foreign exchange rates; (vi) environmental risks and changes in environmental legislation;

(vii) the COVID-19 pandemic; (viii) mining industry risks and hazards, (ix) environmental risks and hazards, (x) economic and political events affecting metal supply and demand, and (xii) uncertainty as to calculation of mineral reserves and resources, and (xiii) risks associated with contractual counterparties, including as a result of any disputes with such counterparties.

This MD&A (See "Financial Instruments and Risk Management") contains information on risks, uncertainties and other factors relating to the forward-looking information. Although the Company has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in the forward-looking information, there may be other factors that cause actual results, performances, achievements or events not to be anticipated, estimated or intended. Also, many of the factors are beyond the Company's control. Accordingly, readers should not place undue reliance on forward-looking information. The Company undertakes no obligation to reissue or update forward-looking information as a result of new information or events after the date of this MD&A except as may be required by law. All forward-looking information disclosed in this document is qualified by this cautionary statement.