The following discussion and analysis of the operations, results, and financial position of Silver Wolf Exploration Ltd. (the "Company" or "Silver Wolf") should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2020, which are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the notes thereto.

This Management Discussion and Analysis ("MD&A") is dated April 15, 2020, and discloses specified information up to that date. Silver Wolf is classified as a "venture issuer" for the purposes of National Instrument 51-102.

We recommend that readers consult the "Cautionary Statement" on the last page of this report.

Additional information relating to the Company can be obtained by contacting David Wolfin, the President & CEO of the Company, on SEDAR at www.sedar.com, or on the Company's website at www.silverwolfexploration.com.

Business Overview

Silver Wolf Exploration Ltd. ("the Company") was incorporated under the laws of the Province of British Columbia. Its principal business comprises the exploration for and development of mineral properties.

The Company is in the exploration stage. The common shares of the Company commenced trading on the TSX Venture Exchange on November 29, 2006 under trading symbol GRK. The Company is classified as a Mineral Exploration company. The financial statements, to which this MD&A relates, have been prepared on a going concern basis, which presumes the realization of assets and the discharge of liabilities in the normal course of business for the foreseeable future. The Company has accumulated losses of $4,177,498 since incorporation. The Company's ability to meet its obligations and maintain its operations is contingent upon additional financing or profitable operations in the future.

Overall Performance

Option Agreement – Mexico Properties

During 2020, the Company announced the signing of an option agreement (the "Option Agreement") with Avino Silver & Gold Mines Ltd. ("Avino"), a company that is considered to be a related party as it has directors and management in common. Pursuant to the terms of the Option Agreement, the Company was granted the exclusive right to acquire an 100% interest in the Ana Maria and El Laberinto properties in Mexico (the "Option"), in consideration of the issuance to Avino of share purchase warrants to acquire 300,000 common shares of the Company at an exercise price of $0.20 per share for a period of 36 months from the date of the TSX Venture Exchange's final acceptance of the Option Agreement (the "Approval Date").

In order to exercise the Option, the Company will:

1. Pay or issue to Avino a total of $600,000 in cash or common shares of the Company as follows:
    a. $50,000 in common shares of the Company within 30 days of the Approval Date;
    b. A further $50,000 on or before the first anniversary of the Approval Date;
    c. A further $100,000 on or before the second anniversary of the Approval Date;
    d. A further $200,000 on or before the third anniversary of the Approval Date; and
    e. A further $200,000 on or before the fourth anniversary of the Approval Date; and

2. Incur a total of $750,000 in exploration expenditures on the properties, as follows:
    a. $50,000 on or before the first anniversary of the Approval Date;
    b. A further $100,000 on or before the second anniversary of the Approval Date; and
    c. A further $600,000 on or before the fourth anniversary of the Approval Date.

All share issuances will be based on the average volume weighted trading price of the Company's shares on the TSX Venture Exchange for the ten (10) trading days immediately preceding the date of issuance of the shares, and the shares will be subject to resale restrictions under applicable securities legislation for 4 months and a day from their date of issue. Under the Option Agreement, the parties intend that the first two year's payments ($200,000 in cash or shares), and first $150,000 in exploration work will be firm commitments by the Company.

Any exploration expenditures in excess of any period stated above will be applied towards the next succeeding period's minimum requirements. During the option period, the Company will also assume liability and be responsible for all required semi-annual property payments required to maintain the properties in good standing.

The Company also granted to Avino a right of first refusal on 60 days' notice to Avino to purchase and process any ore or concentrate extracted from the properties under a custom milling contract at Avino's mine facilities.

Ana Maria Property

The Ana Maria property is located 21 kilometres (km) northwest of the City of Gómez Palacio and the adjacent City of Torreón, and 1 km north of the town of Dinimita, in the municipality of Gómez Palacio, Durango, Mexico. The claims are located in the Minitas mining district in the Guadalupe Victoria mining region. The property consists of 9 mining concessions encompassing 2,549 hectares (ha).

Minimal documentation exists regarding the history and production at Ana Maria; however, historical reporting states that La Lucha was exploited for Iron (Fe) and Manganese (Mn). Production terminated in 1943 and it was estimated to have produced 12,000 tons of material and reserves of approximately 25,000 tons.

The historical estimates of production and reserves as stated above are for historical reference only and do not use the categories set out in NI 43-101. The estimates are deemed relevant from the perspective that mineralization is present on the property which may indicate the existence of other related mineral assemblages. The QP has not validated nor verified these historical estimates nor any underlying data as information and data is not available. The QP has not done sufficient work to classify the estimates and the issuer is not treating the historical estimate as current. The source of the information is the Mexican Government website and USGS (United States Geological Survey) website.

These projects are located in the North West-South East (NW-SE) striking fold-thrust belt of the

Sierra Madre Oriental within a west trending prong known as the Sierras Transversales or the Monterrey-Torreón transverse system. It divides the Mesa Central, an elevated plateau to the South, from the eastern Mexican Basin and Range to the North.

The region hosts a number of carbonate replacement deposits (CRD´s) within Cretaceous limestones and dolomites. Mineralization is associated with large stocks, dykes or sills of granitoids ranging from diorites to quartz monzonites and rhyolites and inferred to be lower crustal in origin. Mineralization is present as skarns or massive sulphides and occurred during Mid-Tertiary volcanism when the aforementioned intrusions were emplaced (Megaw et al., 1988 and references therein). The deposits typically produce silver, lead, zinc and copper although some districts, such as Ojuela (~10 kilometres from Ana Maria and La Zorra), are enriched in gold relative to typical CRD´s.

Laberinto Project

The Laberinto Project is located in the “Sierra de la Silla” northwest of the town of Francisco I. Madero in the municipality of Panuco de Coronado. It is approximately 60 kilomteres northeast of the city of Durango City, México. The property consists of mining concession encompassing 91.7 ha.

El Laberinto is situated within the Tepehuano terrane, as are Ana Maria, La Recompensa, and the El Soldado projects, but in close proximity to the contact with the Tahue terrane, W of the Sierra Madre Oriental. The carbonates that host the CRD projects are absent; no Mesozoic rocks survived erosional processes in the region. Instead of the thrust belts of the Sierra Madre Oriental, the region is controlled by a series of North West-South East (NW-SE) to North North West-South South East (NNW-SSE) striking faults that create a horst-and-graben topography.

The main mineralized material at El Laberinto are comprised of iron, lead and zinc sulphides with minor silver sulphosalts. Gold and silver are present with minor lead and copper and to a lesser extent zinc. Values of gold and silver are localized in oxidized portions of the system suggesting that supergene enrichment may be an important component of the deposit. Mineralization is found in quartz veins, veinlet zones and, to a lesser degree, dissemination around veins and veinlets.

In the mid-1990’s, the El Laberinto historical exploration performed by “Compañía Minera Mexicana de Avino S.A. de C.V.” was focused on the objective of evaluating the potential of the main vein.

The historic work consisted of mapping and geological surface sampling, diamond drilling (3 Holes totaling 753.73 metres), mine development of the Jabalí Tunnel, with a strike length of 300 metres over the main structure and 80 metres in a cross-cut.

The historical exploration work as stated above are for historical reference only. The QP has not validated nor verified the data as the information is not currently available. The source of the information is an internal report from the previous operator, Endeavor Silver Corporation.

From September 2012 through to July 2013, work was carried out as part of the agreement between Avino Gold & Silver Mines (Avino) and Endeavour Silver Corp. (EDR) to test the potential of mineralization in the El Laberinto Claim.

This historical work included a mapping and systematic sampling campaign, collecting a total of 208 samples on surface with values of up to 8 grams per tonne (“g/t”) gold & 421 g/t silver with the anomalous values mostly coming from the Laberinto Structure.

The drilling completed at that time was focused on the South part of the Laberinto Structure which was thought to have had the best potential of mineralization with large volumes and low grades. A total of 5 Holes were completed with 1,367 meters drilled and 2,800 samples were collected in both alteration zones and structures focused particularly in the host rock.

The historic exploration activities as listed above were performed by previous operators. The QP has not validated nor verified the information nor any underlying data however the information is considered reasonable and reliable.

Qualified Person

Mr. Garth Kirkham P.Geo, Independent Consultant for Silver Wolf Exploration Ltd, is a Qualified Person ("QP") as defined by National Instrument 43-101 ("NI 43-101"), and has approved the scientific and technical disclosure on the Ana Maria and the Laberinto Properties, and prepared or supervised its preparation.

Canada Operations – Silver Stream Property

Located 25km northeast of Bralorne, B.C., in the Lillooet mining district of British Columbia, the Company holds 100% tenure in the Silver Stream I and II mineral claims (the “Silver Stream Property”). First explored in 1988, the Silver Stream Property has produced a number of anomalous-to-significant gold showings in sampling, trenching, and drilling. Although still an "early-stage" property, a July 2006 Technical Report filed on SEDAR states: *"…the nature of the mineralization seen in the known showings in the context of the Bridge River camp show the property has good potential to develop economic gold mineralization."*

The renowned Bralorne gold mine, which produced 4.1 million ounces of gold between 1932 and 1971, lies about 25 kilometers southwest of Silver Stream. The average grade of the Bralorne mine complex was 0.52 opt gold, and it remains the largest historic gold producer of the Canadian Cordillera.

Documented gold exploration on the Silver Stream Project, undertaken between 1987 and 2014, has involved approximately 1,759m of diamond drilling in 10 holes, hand and excavator trenching, mapping, rock geochemistry, and reconnaissance and grid soil geochemistry. Two significant zones of gold mineralization have been discovered, the Silverstream West and Southeast zones.

The claims comprising the Silver Stream Claims remain in good standing until July 29, 2021.

Review of Operations

Year ended December 31, 2020 compared with the year ended December 31, 2019.

	2020	2019	Note
General and Administrative Expenses			
Administrative salaries and benefits	$ 23,592	$ 29,612	
Automobile	914	1,498	
Consulting and management fees	34,555	30,200	
Depreciation	9,620	3,813	**1**
Foreign exchange loss	123	120	
Interest and bank charges	4,174	109	**1**
Listing and filing fees	22,624	7,664	**2**
Office and miscellaneous	19,032	27,661	
Professional fees	48,566	18,485	**3**
Shareholder information	3,537	2,161	
Transfer agent fees	6,436	5,561	
Travel	-	344	
Loss Before Other Items	(173,173)	(127,228)	
Other Items			
Realized gain on sale of investments	-	7,000	
Fair value adjustment to promissory notes payable, net of accretion	(80,556)	27,725	**4**
Net Loss For the Year	(253,729)	(92,503)	**6**
Other Comprehensive Income (Loss)			
Items that will not subsequently be re-classified to net income			
Unrealized gain (loss) on investments	(98,058)	6,468	**5**
Reclassification of accumulated losses on investments sold	6,798	18,200	
Total Comprehensive Loss	(344,989)	(67,835)	
Basic and Diluted Loss per Share	$ (0.01)	$ (0.00)	**6**
Weighted Average Number of Shares Outstanding	22,729,764	22,260,461	

1. During the year ended December 31, 2020, depreciation and interest and bank charges were $9,620 and $4,174 compared to $3,813 and $109, respectively, for the year ended December 31, 2019. The increase is a result of recognizing depreciation and future, non-cash interest costs associated with the Company's office lease, now recognized as a right-of-use asset under IFRS 16.

2. During the year ended December 31, 2020, listing and filing fees were $22,624 compared to $7,664 for the year ended December 31, 2019. The increase is due to a consulting fees for the technical report for the proposed option acquisition of the Ana Maria & El Laberinto properties.

3. During the year ended December 31, 2020, professional fees were $48,566, compared to $18,485 for the year ended December 31, 2019. The increase is primarily due to legal fees associated with the review of potential future projects, with no such similar activity occurring in 2019.

4. The fair value adjustment for promissory notes payable fluctuates with the fair value calculations of each note payable. During 2020, the promissory notes were settled through issuance of shares. The Company recognized fair value adjustments and loss on settlement of $80,556, net of accretion, for the year.

5. Unrealized gains or losses for the periods ended December 31, 2020 and 2019, are primarily a direct result of the revaluation of the Company's investment in Garibaldi Resources Inc. ("GGI"). The Company held 190,000 common shares of GGI at December 31, 2020.

6. As a result of the items above, the Company reported net loss of $253,729 for the year ended December 31, 2020, an increase from a loss of $92,503 for the year ended December 31, 2019.

   The change in net loss resulted in basic and diluted loss per share of $0.01 for the year ended December 31, 2020, compared to Nil in the comparative year.

Three months ended December 31, 2020 compared with the three months ended December 31, 2019.

	2020	2019	Note
General and Administrative Expenses			
Administrative salaries and benefits	$ 6,040	$ 6,360	
Consulting and management fees	7,989	7,537	
Automobile	670	437	
Depreciation	2,405	952	**1**
Foreign exchange loss	63	3	
Interest and bank charges	1,120	(2)	**1**
Listing and filing fees	5,735	1,440	
Office and miscellaneous	5,843	11,062	**2**
Professional fees	32,814	15,750	**3**
Shareholder information	2,506	324	
Transfer agent fees	2,282	627	
Travel	(62)	14	
Loss Before Other Items	(67,405)	(44,504)	
Other Items			
Fair value adjustment to promissory notes payable	-	42,829	**4**
Net Loss For the Period	(67,405)	(1,675)	**6**
Other Comprehensive Loss			
Items that will not subsequently be re-classified to net income			
Unrealized loss on investments	(45,789)	(154,654)	**5**
Reclassification of accumulated gain on investments sold	6,798	-	
Total Comprehensive Loss	(106,396)	(156,329)	
Basic and Diluted Loss per Share	$(0.00)	$(0.00)	**6**
Weighted Average Number of Shares Outstanding	23,912,048	22,260,461	

1. During the three months ended December 31, 2020, depreciation and interest and bank charges were $2,405 and $1,120 compared to expense of $952 and a gain of $2, respectively, for the three months ended December 31, 2019. The increase is a result of recognizing depreciation and future, non-cash interest costs associated with the Company's office lease, now recognized as a right-of-use asset under IFRS 16.

2. During the three months ended December 31, 2020, office and miscellaneous expenses were $5,843 compared to $11,062 during the same quarter last year. The decrease in the current year is due to a review and upgrades to IT systems at head office in Q4 of the prior year, with no such similar activity occurring in current quarter.

3. During the three months ended December 31, 2020, professional fees were $32,814 compared to $15,750 during the same quarter last year. The increase is primarily due to increased professional fees associated with the name change, as well as board and management changes and other increased corporate activity, with no such similar activity occurring in 2019.

4. The fair value adjustment for promissory notes payable fluctuates with the fair value calculations of each note payable. During Q3 2020, the Company settled these promissory notes.

5. Unrealized gains or losses for the periods ended December 31, 2020 and 2019, are primarily a direct result of the revaluation of the Company's investment in Garibaldi Resources Inc. ("GGI"). The Company held 190,000 common shares of GGI at December 31, 2020.

6. As a result of the transactions in the period, the Company recorded a loss of $67,405 for the three months ended December 31, 2020, compared to a loss of $1,675 for the three months ended December 31, 2019. The decrease is a direct result of the items noted above, and resulted in a basic and diluted loss per share of $Nil for the three months ended December 31, 2020 and 2019.

Selected Annual Information

The following financial data is derived from the Company's financial statements for the most recently completed and comparative fiscal years:

	December 31, 2020	December 31, 2019	December 31, 2018
Total revenues	-	-	-
Net Income (Loss) for the year	$ (263,729)	$ (92,503)	$ 481,150
Basic and Diluted Earnings (Loss) per share	(0.01)	(0.00)	0.02
Total Assets	483,130	636,888	626,457
Total Liabilities	162,464	278,237	181,770
Working Capital	(82,791)	79,930	100,437

Summary of Quarterly Results

Quarter ended	2020 Dec. 31 Q4	2020 Sep. 30 Q3	2020 Jun. 30 Q2	2020 Mar. 31 Q1	2019 Dec. 31 Q4	2019 Sep. 30 Q3	2019 Jun. 30 Q2	2019 Mar. 31 Q1
Total Revenue	-	-	-	-	-	-	-	-
Net loss	(50,893)	(142,029)	(29,577)	(31,230)	(1,675)	(23,124)	(35,395)	(32,309)
Other comprehensive income (loss)	(4,116)	(61,957)	67,122	(99,107)	(154,654)	95,399	67,811	(2,088)
Basic and diluted loss per Share	(0.00)	(0.01)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Total Assets	483,130	522,991	576,853	532,132	636,888	762,777	665,644	619,483

Net loss for Q4 2020 was slightly higher than previous quarters, excluding Q3 2020, as the Company incurred additional professional fees and listing and filing fees as the Company was working towards TSX Venture approval of the Option Agreement. The Option Agreement acquisition received TSX Venture approval subsequent to December 31, 2020, and prior to the date of this MD&A.

The overall movements in other comprehensive loss in each quarter is a direct result of movements in the share price of the Company's investment in GGI, which is recorded through other comprehensive income or loss.

Management expects that costs will increase in the coming quarters with the acquisition of the Option Agreement on the Ana Maria and El Laberinto Properties announced during Q3 2020.

Liquidity and Capital Resources

Historically, the Company has raised funds through equity financing to fund its operations. At December 31, 2020, the Company had a cash balance of $26,027, negative working capital of $82,791, and accumulated losses of $4,177,498 since incorporation. The Company's ability to meet its obligations and maintain its operations is contingent upon additional financing or profitable operations in the future. However, there can be no assurance that the Company will be able to obtain additional financing, or achieve profitability or positive cash flow. If the Company is unable to generate positive cash flow or obtain adequate financing, the Company will need to further decrease its operations and exploration activities.

During the year ended December 31, 2020, the Company did not undertake any financing activities other than lease payments on its right-of-use office lease asset.

Subsequent to December 31, 2020, the Company closed a non-brokered private placement for gross proceeds of $1,000,000. Management will continue to review other financing options to raise capital in 2021 to meet its future obligations and operating expenses. Mineral exploration and development is capital extensive, and in order to maintain the terms of the recently announced Option Agreement, the Company may be required to raise new equity capital in the future. There is no assurance that the Company will be successful in raising additional new equity capital.

The Company is in the exploration stage. The investment in and expenditures on the mineral properties comprise substantially all of the Company's assets. The recoverability of amounts shown for its mineral property interest and related deferred costs and the Company's ability to continue as a going concern is dependent upon the continued support from its directors, the discovery of economically recoverable reserves, and the ability of the Company to obtain the financing necessary to complete development and achieve profitable operations in the future. The outcome of these matters cannot be predicted at this time.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Proposed Transactions

The Company has no proposed transactions.

Related Party Transactions

(a) Key management compensation

The Company has identified its directors and certain senior officers as its key management personnel. The compensation costs for key management personnel are as follows:

	2020	2019
Consulting fees, wages and benefits	$ 15,222	$ 40,718
	$ 15,222	$ 40,718

(b) Amounts due to related parties

In the normal course of operations the Company transactions with companies related to its directors or officers. All amounts payable are non-interest bearing, unsecured, and due on demand. As at December 31, 2020 and 2019 the following amounts were due to related parties:

	December 31, 2020	December 31, 2019
Oniva International Services Corp.	$ 73,090	$ -
	$ 73,090	$ -

(c) Promissory notes issued to related parties

	Intermark Capital Corp.		Oniva	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Beginning balance	$ 29,458	$ 7,364	$ 198,538	$ 155,512
Borrowing	5,250	31,500	-	61,345
Shares issued to settle debt	(44,888)	-	(268,914)	-
Unwinding of the discount	1,794	924	12,091	19,518
Fair market value adjustment	8,386	(10,330)	58,285	(37,837)
Ending balance	$ -	$ 29,458	$ -	$ 198,538

During 2020, the Company entered into debt settlement agreements with two of its principal creditors, Oniva International Services Corp., which provides administrative services to the Company, and Intermark Capital Corp., which provides management services to the Company, through the Company's President & CEO, David Wolfin.

The Company settle an aggregate of $330,318 in indebtedness in exchange for the issuance of a total of 1,651,587 common shares at a deemed price of $0.20 per share. The shares were issued on September 18, 2020 and were valued at $0.19 per share. The shares were subject to resale restrictions for a period of 4 months and a day from their issuance. As a result if the settlement, the Company recognized a loss on settlement of $66,671.

(d) Related party transactions

During the year ended December 31, 2020, $67,854 (2019 - $59,500) was charged for office, occupancy, miscellaneous costs and salaries, and administrative services paid on behalf of the Company by Oniva. Further, the Company paid $1,717 of administrative fees during the year ended December 31, 2020 (2019 - $1,425) to Oniva and $Nil (2019 - $500) for reimbursement of mineral claim taxes, license fees, and staking.

The Company takes part in a cost-sharing arrangement to reimburse Oniva for a variable percentage of its overhead expenses, to reimburse 100% of its out-of-pocket expenses incurred on behalf of the Company, and to pay a percentage fee based on the total overhead and corporate expenses. The arrangement may be terminated with one-month notice by either party.

As disclosed in Note 6 to the consolidated financial statements, the Option Agreement transaction was entered into with a related party. See the “Overall Performance” section for additional details on the Option Agreement.

Critical Judgments and Estimates

The preparation of these financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the amount of revenues and expenses for the periods reported. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in operations in the period they become known.

Financial Instruments

The fair values of the Company’s cash, promissory notes payable to related parties, trade and other payables, and amounts due to related party approximate their carrying values because of the short-term nature of these instruments. The fair value of the Company’s available for sale investments is detailed in Note 5 of the consolidated financial statements, and promissory notes payable are detailed in Note 10 of the consolidated financial statements.

The Company’s financial instruments are exposed to certain financial risks comprising credit risk, liquidity risk and market risk.

(a) Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company’s cash is exposed to credit risk. The Company manages credit risk, in respect of cash, by maintaining the majority of cash at high credit rated Canadian financial institutions. Concentration of credit risk exists with respect to the Company’s cash, as the majority of the amounts are held with a single Canadian financial institution.

(b) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows required by operations and anticipated investing and financing activities. At December 31, 2020, the Company had cash in the amount of $26,027 (December 31, 2019 - $101,846) in order to meet short-term business requirements. At December 31, 2020, the Company had current liabilities of $112,022 (December 31, 2019 – $23,214). Accounts payable have contractual maturities of approximately 30 to 90 days, or are due on demand and are subject to normal trade terms.

The maturity profiles of the Company's contractual obligations and commitments as at December 31, 2020, are summarized as follows:

	Total	Less Than 1 Year	1-5 years	More Than 5 Years
Trade and other payables	$ 28,416	$ 28,416	$ -	$ -
Finance lease obligations	57,958	10,516	47,442	-
Due to related parties	73,090	73,090	-	-
Total	$ 159,464	$ 112,022	$ 47,442	$ -

(c) Market Risk

Market risk consists of interest rate risk, foreign currency risk, and other price risk. These are discussed further below.

Interest Rate Risk

Interest rate risk consists of two components:

(i) To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk.

(ii) To the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

The Company's cash is currently held in highly liquid short-term investments and therefore management considers the interest rate risk to be minimal.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that monetary assets and liabilities are denominated in foreign currency.

At this time, the Company is not exposed to significant foreign currency risk, as the company currently has minimal transactions and balances in currencies other than the Canadian dollars.

Other Price Risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk.

The Company is exposed to other price risk with respect to its investment in marketable securities, as they are carried at fair value based on quoted market prices.

(d) Classification of Financial instruments

IFRS 7 *'Financial Instruments: Disclosures'* establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table sets forth the Company's financial assets measured at fair value on a recurring basis by level within the fair value hierarchy as at December 31, 2020:

	Level 1	Level 2	Level 3
Cash	$ 26,027	$ -	$ -
Investments	83,600	-	-
	$ 109,627	$ -	$ -

Risks associated with Public Health Crises, including COVID-19

The Company's business, operations and financial condition could be materially adversely affected by the outbreak of epidemics, pandemics or other health crises, such as the outbreak of COVID-19 that was designated as a pandemic by the World Health Organization on March 11, 2020. The international response to the spread of COVID-19 has led to significant restrictions on travel, temporary business closures, quarantines, global stock market volatility and a general reduction in consumer activity. Such public health crises can result in operating, supply chain and project development delays and disruptions, global stock market and financial market volatility, declining trade and market sentiment, reduced movement of people and labour shortages, and travel and shipping disruption and shutdowns, including as a result of government regulation and prevention measures, or a fear of any of the foregoing, all of which could affect commodity prices, interest rates, credit risk and inflation. In addition, the current COVID-19 pandemic, and any future emergence and spread of similar pathogens could have an adverse impact on global economic conditions which may adversely impact the Company's operations, and the operations of suppliers, contractors and service providers, including smelter and refining service providers, and the demand for the Company's production.

The Company may experience business interruptions, including suspended (whether government mandated or otherwise) or reduced operations relating to COVID-19 and other such events outside of the Company's control, which could have a material adverse impact on its business, operations and operating results, financial condition and liquidity.

As at the date of this MD&A, the duration of the business disruptions internationally and related financial impact of COVID-19 cannot be reasonably estimated. It is unknown whether and how the Company may be affected if the pandemic persists for an extended period of time. In particular, the region in which we operate may not have sufficient public infrastructure to adequately respond or efficiently and quickly recover from such event, which could have a materially adverse effect on the Company's operations. The Company's exposure to such public health crises also includes risks to employee health and safety. Should an employee, contractor, community member or visitor become infected with a serious illness that has the potential to spread rapidly, this could place the Company's workforce at risk.

Risks

Mineral exploration and development involve a high degree of risk and few properties are ultimately developed into producing mines. There is no assurance that the Company’s future exploration and development activities will result in any discoveries of commercial bodies of ore. Whether an ore body will be commercially viable depends on a number of factors including the particular attributes of the deposit such as size, grade and proximity to infrastructure, as well as mineral prices and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals, and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in a mineral deposit being unprofitable.

Outstanding Share Data

The Company's authorized share capital consists of unlimited common shares without par value.

As at April 15, 2021, the following common shares, warrants and stock options were outstanding:

	Number of shares	Exercise price	Remaining life (years)
Share capital	29,143,766	-	-
Warrants	1,425,250	$0.10 - $0.60	0.33 – 2.95
Stock options	2,170,000	$0.20 - $0.44	0.86 – 2.68
Total	32,739,016		

The following are details of outstanding warrants as at December 31, 2020, and April 15, 2021:

Expiry Date	Exercise Price Per Share	Number of Underlying Shares (December 31, 2020)	Number of Underlying Shares (April 15, 2020)
August 15, 2021	$0.10	905,000	805,000
September 15, 2022	$0.60	320,250	320,250
March 26, 2024	$0.20	-	300,000
Total:		**1,225,250**	**1,425,250**

The following are details of outstanding stock options as at December 31, 2020, and April 15, 2020:

Expiry Date	Exercise Price Per Share	Number of Shares Remaining Subject to Options (December 31, 2020)	Number of Shares Remaining Subject to Options (April 15, 2020)
February 23, 2022	$0.39	990,000	990,000
June 23, 2022	$0.44	200,000	200,000
January 8, 2026	$0.20	-	980,000
Total:		**1,190,000**	**2,170,000**

Subsequent Events

Warrant Exercises – Subsequent to December 31, 2020, the Company issued 100,000 common shares through the early exercise of share purchase warrants for proceeds of $10,000 at an average price per share of $0.10.

Non-Brokered Private Placement – Subsequent to December 31, 2020, the Company issued 5,000,000 common shares at an offering price of $0.20 for gross proceeds of $1,000,000. No commissions or finder's fees are payable in connection with this financing.

First Payment – Option Agreement – Subsequent to December 31, 2020, the Company issued 131,718 common shares at an average price of $0.3796, valued at $50,000, to satisfy the terms laid out in Item 1 a) of the Option Agreement. For full details of the Option Agreement, see the "Overall Performance" section of this MD&A.

Option Grant – Subsequent to December 31, 2020, the Company granted 1,000,000 options, exercisable at $0.20 per share for a period of 5 years from the grant date.

Share Purchase Warrant Issuance – Option Agreement – Subsequent to December 31, 2020, the Company issued share purchase warrants to acquire 300,000 common shares at a price of $0.20, as per the terms of the Option Agreement. For full details of the Option Agreement, see the "Overall Performance" section of this MD&A.

Disclosure Controls and Procedures

The Chief Executive Officer and the Chief Financial Officer of the Company are responsible for evaluating the effectiveness of the Company's disclosure controls and procedures and have concluded, based on our evaluation, that they are effective as at December 31, 2020 to ensure that information required to be disclosed in reports filed or submitted under Canadian securities legislation is recorded, processed, summarized, and reported within the time period specified in those rules and regulations.

Approval

The Board of Directors of the Company has approved the disclosure contained in this MD&A.

Cautionary Statement

This MD&A is based on a review of the Company's operations, financial position, and plans for the future based on facts and circumstances as of April 15, 2021. Except for historical information or statements of fact relating to the Company, this document contains "forward-looking statements" within the meaning of applicable Canadian securities regulations. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from our expectations are disclosed in the Company's documents filed from time to time via SEDAR with the Canadian regulatory agencies to whose policies we are bound. Forward-looking statements are based on the estimates and opinions of management on the date the statements are made, and we do not undertake any obligation to update forward-looking statements should conditions or our estimates or opinions change. These statements involve known and unknown risks, uncertainties, and other factor that may cause the Company's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievement expressed or implied by these forward-looking statements.