Copperbank Resources Corp.

Management Discussion and Analysis

Year ended December 31, 2020

Background

The following discussion and analysis of Copperbank Resources Corp. (the "Company" or "Copperbank") for the year ended December 31 2020 has been prepared as of April 23, 2021 and should be read together with the consolidated financial statements for the same period and related notes attached thereto, which are presented in Canadian dollars and prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All amounts are stated in Canadian dollar unless otherwise indicated.

Certain statements in this report that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements. Readers are cautioned not to put undue reliance on forward-looking statements.

Additional information of the Company is available on SEDAR at www.sedar.com and at the Company's website at www.copperbankcorp.com.

Description of Business

Copperbank was incorporated on October 21, 2014 under the Business Corporation Act (British Columbia), whereby 0999279 B.C. Ltd, 1016077 B.C. Ltd., and Choice Gold Corp., were amalgamated as one company as the "Copperbank Resources Corp".

The Company's head office is 1500 - 409 Granville Street, Vancouver, British Columbia, V6C 1T2. The Company's shares are traded on the Canadian Securities Exchange ("CSE") under the symbol "CBK" and its principal business is the acquisition and development of mineral properties. All of the Company's resource properties are located in the U.S.A. and are still in their exploration stages.

The underlying value of the Company's resource properties are entirely dependent on the existence of economically recoverable reserves, on the ability of the Company to obtain the necessary financing and permits to complete development, and upon future profitable production.

Corporate Update

On July 8, 2020, the Company consolidated its outstanding common shares on 4-to-1 basis. All the presentation of number of shares, warrants, stock options in this MD&A have been retrospectively adjusted to this share consolidation.

Following is a corporate update of the Company during the year ended December 31, 2020:

On January 23, 2020, 1,250,000 common shares were issued through private placement at $0.24 per share for gross proceeds of $300,000.

On February 11, 2020, 791,583 common shares were issued through private placement at $0.24 per share for gross proceeds of $189,980.

On February 11, 2020, 250,000 common shares were issued at $0.28 per share to settle the share issuance obligation of $70,000 recorded on December 31, 2019.

On May 13, 2020, 337,500 common shares were issued at $0.24 per share for gross proceeds of $81,000.

On July 21, 2020, 1,250,000 common shares were issued at $0.20 per share for gross proceeds of 250,000.

On July 24, 2020, the Company granted 3,800,000 incentive stock options to officers, directors, and consultants with an exercise price of $0.23 for a period of five years. These options are subject to vesting provisions whereby 25% of the options will vest six months from the date of grant and 25% of every six months thereafter.

Subsequent to the year ended December 31, 2020, the Company had the following significant corporate events:

i) The Company closed a non-brokered private placement for the issuance of 3,592,358 shares, at a price of $0.35, for total proceeds of $1,257,325. No finder's fees were paid as part of this private placement.

ii) 262,500 common shares were issued for exercise of options.

iii) The Company paid USD 108,292 in full and final settlement of a note payable outstanding as at December 31, 2020.

Exploration Properties Overview

Note: The foregoing historical mineral resource estimate (the "Historical Estimate") was published in a technical report titled "Copper Creek 2012 Mineral Resource Update, Pinal County, Arizona, USA, Technical Report" prepared for Redhawk by Independent Mining Consultants Inc., dated and filed by Redhawk on SEDAR on June 25, 2012. A qualified person (as defined in National Instrument 43-101 ("NI 43-101")), has not done sufficient work to classify the foregoing historical estimate as current mineral resources or reserves, and Copperbank is not treating the estimate as current mineral resources or reserves. The Historical Estimate was calculated using a 0.20% copper equivalent ("CuEq") cut-off grade. The Historical Estimate is based on metal prices of US$3.00/lb. CuEq and contained within an open pit geometry using industry comparable estimates for direct mining, milling, and G&A costs. The ratios for calculating CuEq are based upon US$2.75/lb Cu, US$12.00/lb Mo, and US$20.00/oz Ag and recoveries of 90% for Cu, 80% for Mo, and 90% for Ag. Because the Historical Estimate was completed relatively recently in 2012 and in compliance with the definitions for mineral resource categorization set out by the Canadian Institute of Mining, Metallurgy and Petroleum, and disclosed in a technical report conforming to the requirements of NI 43-101, Copperbank is of the view that the Historical Estimate is generally reliable and relevant to an evaluation of the property, however Copperbank has not completed any independent verification of the Historical Estimate. In order to verify the Historical Estimate as current, a qualified person (as defined in NI 43-101) would have to conduct a site visit on behalf of Copperbank and complete standard data verification procedures. Copperbank intends to complete additional resource expansion drilling on Copper Creek for purposes of increasing and upgrading the mineral resource prior to completion of a new mineral resource estimate. Subsequent to the Historical Estimate, Redhawk published a technical report titled "Redhawk Copper, Inc., Copper Creek Project, Preliminary Economic Assessment, 25,000 TPD Mill with an Underground Mine for Development of the Copper Creek Resource", prepared by Mr. Joseph M. Keane, P.E.; Mr. Herb Welhener, MMSA-QPM; Mr. Steve Milne, P.E.; Mr. Gene Muller, P.E; Mr. David Nicholas and SGS Metcon/KD Engineering dated July 25, 2013, amended October 28, 2013 (the "PEA Technical Report"). The PEA Technical Report contained a mineral resource estimate that related solely to the portion of the Copper Creek deposit amenable to underground mining pursuant to the mine plan set out in the PEA Technical Report, using a 0.55% CuEq cut-off, which consisted of Indicated resources totaling approximately 2.1 billion lbs CuEq (132.0 million tons @ 0.79% CuEq) plus an Inferred resource of approximately 1.1 billion lbs CuEq (74.1 million tons @ 0.74% CuEq) based on metal prices of US$3.00/lb CuEq The ratios for calculating CuEq are based upon US$2.75/lb Cu, US$12.00/lb Mo, and US$20.00/oz Ag and recoveries of 90% for Cu, 80% for Mo, and 90% for Ag.

The Company acquired the Copper Creek Project ("Copper Creek") through the acquisition of Redhawk Resources Inc. ("Redhawk") in the third quarter of 2018. The Copper Creek Project located in Arizona, represents a further continuation of the Company's copper consolidation business model.

Mineral Properties currently held

As at December 31, the Company had two active copper development projects in the United States:

1) **Copper Creek Project** –The Copper Creek copper-molybdenum project consists of approximately 16 square miles of contiguous patented and unpatented mining claims and state prospecting permits, located near San Manuel, Arizona, about 110km north-east of Tucson and proximal to existing significant mining projects in the region, including Freeport-McMoRan's Miami, Morenci and Safford projects, Rio Tinto's Resolution project, Capstone's Pinto Valley project and Hudbay's Rosemont project. The Company's combined post-Transaction asset base is located in Nevada and Arizona, within supportive communities in mining friendly jurisdictions with a long-standing history of mining.

   In December 2020 independent consultants joined members of CopperBank's technical team for an initial site visit to the Copper Creek Project. Subsequent visits were made in the first quarter of 2021 and resulted in initial targets for a proposed multi-phase drill program that is envisioned to take place in the future subject to market conditions.

The Company's portfolio of copper assets possesses the following attributes:

• Pipeline of growth assets with prospective exploration potential: Redhawk's Copper Creek project, along with Copperbank's existing Contact copper project, all possess untested exploration upside to further add to existing resources while presenting additional opportunities for optimization.

• Premier copper optionality company: The business combination will create a leading copper focused explorer and developer during a time of encouraging supply and demand fundamentals.

• In-state development and capital markets experience: Senior management of Copperbank have a proven track record of systematically advancing projects through the development phase, inclusive of permitting, and possess considerable capital markets experience.

• Strategic platform for further consolidation: The Transaction results in a strengthened platform to continue to evaluate and consolidate additional prospective, domestic copper projects and other energy metals assets in the United States and elsewhere in the Americas.

• Significant copper resources: In addition to the estimated mineral resources on Copperbank's current properties, the Copper Creek project hosts historic mineral resources, including estimated Measured & Indicated resources of approximately 4.4 billion pounds of copper (a total of 501.2 million tons at 0.44% copper, consisting of Measured resources of 45.5 million tons at 0.72% copper, and Indicated resources of 456.7 million tons at 0.42% copper) plus additional Inferred resources of approximately 3.3 billion pounds of copper (481.3 million tons at 0.34% copper). For additional information on the foregoing historical mineral resource estimate, including cautions for the reader, see below detail note.

2) **The Contact Project** - The Contact Project was the object of a historical pre-feasibility study in 2013 over the eastern portion of the property by the Company predecessor and encloses an historical resource of 141 million tons of 0.22% Cu at a 0.07% Cu cut-off grade. The Company is considering additional infill drilling to follow-up and expand higher grade resources in the area of previously drilled holes EN104 which returned 22 meters of 1.003% copper starting at 44 meters and EN111 that returned 59 meters of 0.698% copper starting at 3 meters. Selected shallow core holes are also intended to obtain material for further metallurgical testing and to provide additional recovery information required for potential mine planning. It is estimated that US$750,000 will realize these goals. A map of the project can be found in the Corporate Presentation, which can be viewed at the Company's website www.copperbankcorp.com

The Company is also considering additional exploration drilling over the prospective Copper Ridge area, located 1.6 kilometers southwest of the main Contact Copper Deposit. High grade rock chip samples released on August 27, 2012 by the previous operator returned grades in excess of 1% copper in grab samples from outcrops with visible copper oxide mineralization within a quartz monzonite host rock. The completion of a geophysical survey is being considered prior to the aforementioned drilling.

Selective Annual Information

The Company's annual financial summary in the last three years is as below:

	2020	2019	2018
	$	$	$
Revenues	-	-	-
Net loss	1,059,681	9,105,983	1,784,662
Net loss per share, basic and diluted	0.01	0.12	0.04
Total assets	5,876,042	5,675,714	13,115,324
Total long term liabilities	-	-	-

The Company is an exploration company that does not have revenue since inception, The Company's results are not subject to seasonality. Loss in 2019 is higher as the Company recorded a non-recurring impairment charges of $7.7 million on its Pyramid Project.

Summary of Quarterly Results

All of the Company's resource properties are in their exploration stage. The Company has not had revenue from inception and does not expect to have revenue in the near future. The Company's operating result is not seasonal in nature and has been mainly related to the amount of exploration activities in such quarter. The Company's quarterly performance in the latest eight quarters is as follows:

	2020				**2019**			
	Q4	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Revenues	-	-	-	-	-	-	-	-
Net Loss	148,483	506,932	148,348	255,918	7,986,351	360,777	373,278	385,577
Loss per share (i)	0.00	0.01	0.00	0.00	0.11	0.00	0.00	0.01

(i) Loss per share - basic and diluted

The Company's quarterly historical results were not subject to seasonality. The loss during the quarter ended December 31, 2019 was higher than average as the Company recorded a non-recurring impairment charge of $7.7 million on its Pyramid Project on December 31, 2019. The higher than average loss incurred during the third quarter of 2020 was mainly due to a non-recurring impairment charge of $176,515 incurred in this quarter.

Performance Summary

Comparison between fiscal 2020 and 2019

Year ended December 31, 2020	Ref	**2020**	**2019**
		$	$
EXPENSES			
Amortization		13,622	14,818
Consulting and management fees	a	303,345	478,183
Mineral property maintenance and consulting		87,759	51,544
Filing fees and shareholders' services		27,278	33,237
Insurance		10,533	12,044
Office and interest expenses		81,147	90,757
Professional fees		78,975	84,808
Promotion, advertisement and shareholder relations	b	84,586	143,573
Rental		16,687	23,143
Share-based compensation	c	302,594	407,181
Travel		41,512	70,171
Loss from operations		(1,048,038)	(1,409,459)
Foreign exchange		(3,107)	(22,158)
Gain from disposition of property and equipment	d	107,968	8,859
Gain on accounts payable write off		60,011	-
Impairment of resources properties		(176,515)	(7,683,225)
Net loss		(1,059,681)	(9,105,983)

a. Consulting and management fees decreased as management has curtailled their management fees during 2020 to improve the Company's liquidity.

b. Promotion, advertisement and shareholder relationship expenditures varies from time to time depend on capital market activities.

c. The amount of share-based compensation recorded in a particular period fluctuates from time to time depending on the vesting of options granted.

d. Gain from disposition of property and equipment varies is non-recurring in nature.

Comparison between the fourth quarter of 2020 and 2019

The main components of opertaing expenses and other income are as following:

Three months ended December 31,	Note	**2020**	**2019**
EXPENSES			
Amortization		3,467	3,387
Consulting and management fees		59,590	124,228
Mineral property maintenance and consulting		35,640	(916)
Filing fees and shareholders' services		5,485	4,202
Insurance		3,546	6,491
Office and interest expenses		36,691	14,652
Professional fees		29,039	31,757
Promotion, advertisement and shareholder relations		48,977	19,699
Rental		6,989	23,143
Share-based compensation		96,589	41,139
Travel		7,595	15,176
Loss from operations		(333,608)	(282,958)
Foreign exchange		(3,107)	(22,158)
Gain from disposition of property and equipment		107,968	1,990
Gain on accounts payable write off		60,011	-
Impairment of resources properties		20,253	(7,683,225)
Net loss		(148,483)	(7,986,351)

The major movements for the three-month period are similar to those for the year ended December 31, 2020.

Proposed Transactions

The Company does not have any proposed transactions that are material to disclose.

Liquidity, Capital Resources and Going Concern

During the year ended December 31, 2020 the Company used $681,984 in operating activities and $130,766 in investing activities (use of $238,734 in resource properties maintenance net of proceeds of $107,968 from disposition of assets.)

Money received from financing activities was $820,064 (mainly from share issuance).

The Company is not subject to external restriction in using its capital resources other than the payments under the Contact and the Copper Creek Project.

The Company is a resource exploration stage company, which does not generate any revenue and has been relying on equity-based financing to fund its operations. As at December 31, 2020, the Company was not able to finance its day to day activities from its operations and had a working capital deficiency of $692,021. In order to eliminate the working capital deficiency and to finance its operations in the next twelve months, the Company raised $1.26 million through a private placement closed in February 2021. The Company will need to raise addition funding to finance the Company to achieve its long-term business objective.

Although the Company has a history of obtaining funding when needed in the past, readers are cautioned that there can be no assurance that management's plan to raise further financing will be successful, as it is dependent on prevailing capital market conditions and the continued supports from its related parties.

Related Party Transactions

During the year ended December 31, 2020 and 2019, the Company incurred the following transactions with key management members and the directors of the Company:

	Nature	2020 $	2019 $
Key management	Management fees	259,000	383,250
Key management and directors	Share-based payments	200,346	294,462

As at December 31, 2020, amount due to related parties comprised of amounts owing to key management members of $88,950 (2019 - $51,000). Due to related parties has the same terms as the Company's trade payables, which is unsecured and non-interest-bearing and with no specific terms.

Off-Balance Sheet Arrangements

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

Significant Accounting Policies

The Company has not changed its accounting policies since its prior year ended December 31, 2019 and has applied accounting policies consistently for all periods presented.

Financial Instruments

The Company's financial instruments are exposed to several financial and market risks, including credit, interest rate, liquidity and commodity risks. The Company may, or may not, establish from time to time active policies to manage these risks. The Company does not currently have in place any active hedging or derivative trading policies to manage these risks since the Company's management does not believe that the current size, scale and pattern of cash flow of its operations would warrant such hedging activities. There was no change in the management of the financial risks compared to the recent year ended December 31, 2019.

Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations.

The financial instruments that potentially subject the Company to a significant concentration of credit risk consist of cash and cash equivalents. The Company mitigates its exposure to credit loss associated with cash and cash equivalents by placing its cash and cash equivalents in a major financial institution. As at December 31, 2020, the Company had cash equivalents of $2,300 in term deposits (2019 - $2,300).

Liquidity risk

Liquidity risk is the risk that the Company may be unable to meet its financial obligations as they fall due or that it will be required to meet them at excessive cost. The Company reviews its working capital position regularly to ensure there is sufficient capital in order to meet short-term business requirements, after taking into account the Company's holdings of cash. The Company's cash is invested in business accounts, which are available on demand. The Company manages its liquidity risk mainly through raising funds from private placements and amounts from related parties.

The Company's operating cash requirements are continuously monitored and adjusted as input variables change. As these variables change, liquidity risks may necessitate the need for the Company to pursue equity issuances, obtain project or debt financing, or enter into joint arrangements. There is no assurance that the necessary financing will be available in a timely manner.

Commodity risk

The Company is subject to commodity price risk arising from the fluctuation of metal price beyond the Company's control. The Company may have difficulties to identify and acquire economically viable projects for the Company to invest in if metal prices are depressed in an extended period.

Interest rate risk

The Company is exposed to the risk that the value of financial instruments will change due to movements in market interest rates. As of December 31, 2020, the Company did not have variable interest-bearing debt with long-term maturities, and therefore does not believe that interest rate risk is significant. The Company does not use derivative instruments to reduce its interest rate risk as the Company's management believes that the likely financial impact of interest rate changes does not justify using derivatives.

Foreign currency risk

Foreign currency risk is the risk that the fair value of the Company's assets and liabilities 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 held by the Company are not denominated in its functional currency. The Company does not manage currency risk through hedging or other currency management tools.

As at December 31, 2020 and December 31, 2019, the Company's net exposure to foreign currency risk on its financial instruments is as follows:

	December 31, 2020	**December 31, 2019**
Cash	US$ 21,413	US$ 3,258
Canadian dollar equivalent	27,263	$ 4,232

A 5% change in the US dollar against the Canadian dollar at December 31, 2020 would result in a change of approximately $1,360 in comprehensive loss.

Fair value

Financial assets and liabilities that are recognized on the statement of financial position at fair value can be classified in a hierarchy that is based on the significance of the inputs used in making the measurements. The levels in the hierarchy are: Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); and Level 3 - inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The Company does not have financial instruments measured at fair value.

The Company's financial instruments consists of cash and cash equivalents, other receivable, accounts payable and accrued liabilities, and due to related parties which are classified as amortized cost financial instruments. The fair values of these financial instruments approximate their carrying value due to their short-term nature.

Outstanding Share Data

As of the date of this report, the Company has 81,512,338 common shares outstanding.

Risk Factors

The principal activity of the Company is mineral exploration which is inherently risky. There is intensive government legislation from state, provincial, federal, municipal and aboriginal governments, surrounding the exploration for and production of minerals from our and any mining operations. Exploration and development is also capital intensive and the Company currently has no source of income. Only the skills of its management and staff in mineral exploration and exploration financing serve to mitigate these risks, and therefore constitute one of the main assets of the Company.

The Company has its cash deposited with a large, federally insured, commercial bank which it believes to be creditworthy. Federal deposit insurance covers deposit balances up to $100,000.

Title
Title to mineral properties, as well as the location of boundaries on the grounds may be disputed. Moreover, additional amounts may be required to be paid to surface right owners in connection with any mining development. At all of such properties where there are current or planned exploration activities, the Company believes that it has either contractual, statutory, or common law rights to make such use of the surface as is reasonably necessary relating to those activities. Although the Company believes it has taken reasonable measures to ensure proper title to its properties, there is no guarantee that title to its properties will not be challenged or impaired.

Successful challenges to the title of the Company’s properties could impair the development of operations on those properties.

The Company’s properties include unpatented mining claims, patented mining claims, and mineral rights on private lands. The Company’s properties on unpatented mining claims, is land owned and administered by the U.S. government. A valid unpatented mining claim is an interest in real property that can be bought, sold, mortgaged, devised, leased and taxed, but it is always subject to the paramount title of the U.S. and the rights of third parties to use the surface of the claim in a manner that does not unreasonably interfere with the claimant’s activities. Unpatented mining claims are mining claims located and staked on available federal public domain land in accordance with the U.S. General Mining Law of 1872, with dimensions not to exceed 600 feet by 1,500 feet for lode claims (which constitute the great majority of the Company’s unpatented mining claims), or 20 acres for placer claims. The process of locating an unpatented mining claim is initiated by the locator. Unpatented mining claims can be staked without any invitation from or grant by the federal government or any state government. A valid unpatented mining claim must include a discovery of valuable minerals. Prior to discovery, however, a mining claimant has a possessory right to conduct mineral exploration and development activities on the claim. The locator of a valid unpatented mining claim has the right to explore for, develop and mine minerals discovered on the claim, subject to compliance with the annual maintenance requirements of the U.S. Federal Land Policy and Management Act of 1976 which currently requires timely payment of an annual maintenance fee in order to maintain an unpatented mining claim.

Unpatented mining claims are unique property interests, and are generally considered to be subject to greater title risk than private real property interests because the validity of unpatented mining claims is often uncertain. This uncertainty arises, in part, out of the complex federal and state laws and regulations that supplement the U.S. General Mining Law of 1872. Also, unpatented mining claims and related rights, such as rights to use the surface, are always subject to possible challenges by third parties or contests by the federal government. The validity of an unpatented mining claim, in terms of both its location and its maintenance, is dependent on strict compliance with a complex body of federal and state statutory and decisional law. In addition, there are few public records that definitively control the issues of validity and ownership of unpatented mining claims.

In recent years, the U.S. Congress has considered a number of proposed amendments to the General Mining Law, as well as comprehensive reform legislation. Although no such legislation has been adopted to date, there can be no assurance that such legislation will not be adopted in the future. If ever adopted, such legislation could, among other things, impose royalties on production from currently unpatented mining claims located on federal lands. If such legislation is ever adopted, it could have an adverse impact on earnings from the Company’s operations, and it could reduce estimates of the Company's present resources and the amount of the Company's future exploration and development activity on federal lands.

Permits and Licenses

Although the Company either currently holds or has applied for or is about to apply for all consents which it requires to carry out its current drilling programs, the Company cannot be certain that it will receive the necessary permits and licenses on acceptable terms or at all, to conduct further exploration and to develop its properties. The failure to obtain such permits, or delays in obtaining such permits could adversely affect the operations of the Company. Government approvals and permits are currently and may in the future be required in connection with the operations of the Company. To the extent such approvals are required and not obtained; the Company may be curtailed or prohibited from continuing its mining operations or from proceeding with planned exploration or development of mineral properties.

Exploration and Development Efforts May Be Unsuccessful

There is no certainty that the expenditures to be made by the Company in the exploration and development of its properties as described herein will result in discoveries of mineralized material in commercial quantities. Most exploration and development projects do not result in the discovery of commercially mineable ore deposits and no assurance can be given that any level of recovery of ore reserves will in fact be realized or that any identified mineral deposit will ever qualify as a commercially mineable (or viable) ore body which can be legally and economically exploited. Estimates of reserves, mineable deposits and production costs can also be affected by such factors as environmental permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. In addition, the grade of ore ultimately mined may differ from that indicated by drilling results. Short term factors relating to ore reserves, such as the need for orderly development of ore bodies or the processing of new or different grades, may also have an adverse effect on mining operations and on the results of operations. There can be no assurance that minerals recovered in small scale tests will be duplicated in large scale tests under on-site conditions or in production scale. Material changes in ore reserves, grades, stripping ratios or recovery rates may affect the economic viability of any project.

Lack of Cash Flow

None of the Company's properties have advanced to the commercial production stage and the Company has no history of earnings or cash flow from operations. The Company does not expect to generate material revenue from mining operations or to achieve self-sustaining commercial mining operations for several years.

The Company has paid no dividends on its shares since incorporation and does not anticipate doing so in the foreseeable future. Historically, the only source of funds available to the Company is through the sale of its securities. Future additional equity financing would cause dilution to current shareholders.

No Mineral Resources or Reserves in Production

The properties in which the Company has an interest or right to earn an interest are in the exploration or pre-development stages only and are without a known body of ore in commercial production.

Uncertainty of Obtaining Additional Funding Requirements

Programs planned by the Company may necessitate additional funding, which could cause a dilution of the value of the investment of the shareholders of the Company. The recuperation value of mining properties indicated in the balance sheet depends on the discovery of mineralization that can be profitably exploited and on the Company's capacity to obtain additional funds to realize these programs.

The Company's exploration activities can therefore be interrupted at any moment if the Company is incapable of obtaining the necessary funds in order to continue any additional activities that are necessary and that are not described in the exploration programs outlined in the Company's geological report for its properties.

Mineral Prices May Not Support Corporate Profit

The mining industry in general is intensely competitive and there is no assurance that, even if commercial quantities of mineral resources are developed, a profitable market will exist for the sale of same. Factors beyond the control of the Company may affect the marketability of any substances discovered. The price of minerals is volatile over short periods of time, and is affected by numerous factors beyond the control of the Company, including international, economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining techniques.

Competition
The mining industry is intensively competitive in all its phases. The Company competes with companies possessing greater financial resources and technical facilities than itself for the acquisition of mineral interests as well as for the recruitment and retention of qualified employees.

Environmental Regulations
The current and future operations of the Company, including further exploration, development activities and commencement of production on its properties, requires permits from various Canadian and U.S. Federal, Provincial and State governmental authorities.

Such operations are subject to various laws governing land use, the protection of the environment, production, exports, taxes, labor standards, occupational health, waste disposal, toxic substances, mine safety and other matters. There can be no assurance, however, that all permits which the Company may require for construction of mining facilities and conduct of mining operations will be obtainable on reasonable terms. Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures, production costs, reduction in levels of production at producing properties, require abandonment or delays in development of new mining properties.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions.

Parties engaged in mining operations may be required to compensate those suffering loss or damage because of the mining activities and may have civil or criminal fines or penalties imposed for violation of applicable laws or regulations.

Uncertainty of Reserves and Mineralization Estimates
There are numerous uncertainties inherent in estimating proven and probable reserves and mineralization, including many factors beyond the control of the Company. The estimation of reserves and mineralization is a subjective process and the accuracy of any such estimates is a function of the quality of available data and of engineering and geological interpretation and judgment. Results of drilling, metallurgical testing and production and the evaluation of mine plans subsequent to the date of any estimate may justify revision of such estimates. No assurance can be given that the volume and grade of reserves recovered and rates of production will not be less than anticipated. Assumptions about prices are subject to greater uncertainty and metals prices have fluctuated widely in the past. Declines in the market price of base or precious metals also may render reserves or mineralization containing

relatively lower grades of ore uneconomic to exploit. Changes in operating and capital costs and other factors including, but not limited to, short-term operating factors such as the need for sequential development of ore bodies and the processing of new or different ore grades, may materially and adversely affect reserves.

Foreign Operations
The Company's foreign activities are subject to the risk normally associated with conducting business in foreign countries, including exchange controls and currency fluctuations, limitations on repatriation of earnings, foreign taxation, laws or policies of particular countries, labor practices and disputes, and uncertain political and economic environments, as well as risk of war and civil disturbances, or other risk that could cause exploration or development difficulties or stoppages, restrict the movement of funds or result in the deprivation or loss of contract rights or the taking of property by nationalization or expropriation without fair compensation. Foreign operations could also be adversely impacted by laws and policies affecting foreign trade, investment and taxation. The Company currently has exploration projects located in the U.S.

Operating Hazards and Risks Associated with the Mining Industry
Mining operations generally involve a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Hazards such as unusual or unexpected formations and other conditions are involved.

Operations in which the Company has direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of precious and base metals, any of which could result in work stoppages, damage to or destruction of mines and other producing facilities, damage to life and property, environmental damage and possible legal liability for any or all damage. The Company may become subject to liability for cave-ins and other hazards for which it cannot insure or against which it may elect not to insure where premium costs are disproportionate to the Company's perception of the relevant risks. The payment of such insurance premiums and of such liabilities would reduce the funds available for exploration activities.

Ability to Manage Growth
Should the Company be successful in its efforts to develop its mineral properties or to raise capital for other mining ventures it will experience significant growth in operations. If this occurs management anticipates that additional expansion will be required to continue development. Any expansion of the Company's business would place further demands on its management, operational capacity and financial resources. The failure to manage growth effectively could have a material adverse effect on the Company's business, financial condition and results of operations.

Lack of a Dividend Policy
The Company does not presently intend to pay cash dividends in the foreseeable future, as any earnings are expected to be retained for use in developing and expanding its business. However, the actual amount of dividends received from the Company will remain subject to the discretion of the Company's board of directors and will depend on results of operations, cash requirements and prospects of the Company and other factors.

Possible Dilution to Present and Prospective Shareholders
The Company's plan of operation, in part, contemplates the accomplishment of business negotiations by the issuance of cash, securities of the Company, or a combination of the two, and possibly, incurring debt. Any transaction involving the issuance of previously authorized but unissued common shares, or securities convertible into common shares, would result in dilution, possibly substantial, to present and prospective holders of common shares.

Dependence on Key Personnel
The Company strongly depends on the business and technical expertise of its management and key personnel. There is little possibility that this dependence will decrease in the near term. As the Company's operations expand, additional general management resources will be required, especially since the Company encounters risks that are inherent in doing business in several countries.

Conflict of Interest
Certain directors of the Company are also directors, officers or shareholders of other companies that are similarly engaged in the business of acquiring, developing and exploiting natural resource properties. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interest which they may have in any project or opportunity of the Company.

If a conflict arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not the Company will participate in any project or opportunity, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

Lack of Trading Volume
The lack of trading volume of the Company's shares reduces the liquidity of an investment in the Company's shares.

Volatility of Share Price

Market prices for shares of early stage companies are often volatile. Factors such as announcements of mineral discoveries, financial results, and other factors could have a significant effect on the price of the Company's shares.

Infectious Disease Risk

Since December 31, 2019, the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and physical distancing, have caused material disruption to business globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods.

Forward Looking Statements

Certain statements contained in this Management Discussion and Analysis constitute "forward-looking statements". These statements relate to future events or the Company's future performance, business prospects or opportunities. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. Information concerning the interpretation of drill results, mineral resource and reserve estimates and capital cost estimates may also be deemed as forward-looking statements as such information constitutes a prediction of what mineralization might be found to be present and how much capital will be required if and when a project is actually developed. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this Management Discussion and Analysis should not be relied upon. These statements speak only as of the date of this Management Discussion and Analysis. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by forward-looking statements contained in this Management Discussion and Analysis. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about:

- general business and economic conditions;
- the supply and demand for, deliveries of, and the level and volatility of prices of copper or other mineral commodities under exploration;
- the availability of financing for the Company's exploration and development projects on reasonable terms;
- the ability to procure equipment and operating supplies in sufficient quantities and on a timely basis;
- the ability to attract and retain skilled staff;
- market competition;
- the accuracy of our resource estimate (including, with respect to size, grade and recoverability) and the geological, operational and price assumptions on which it is based; and
- tax benefits and tax rates.

These forward-looking statements involve risks and uncertainties relating to, among other things, risks related to international operations, actual results of current exploration activities, conclusions of economic evaluations, changes in project parameters as plans continue to be refined, as well as those factors discussed in the section "Risk Factors". Factors that could cause actual results to differ materially include, but are not limited to, the risk factors discussed in the section. The Company cautions that the foregoing list of important factors is not exhaustive. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements that are incorporated by reference herein, except in accordance with applicable securities laws.