ESKAY MINING CORP.

INTERIM MANAGEMENT'S DISCUSSION AND

ANALYSIS – QUARTERLY HIGHLIGHTS

FOR THE THREE AND NINE MONTHS ENDED NOVEMBER 30, 2020

Prepared by:

ESKAY MINING CORP.

The Canadian Venture Building,
82 Richmond Street East,
Toronto, Ontario, M5C 1P1

Discussion dated January 28, 2021

Introduction

The following Interim Management's Discussion & Analysis ("Interim MD&A") of Eskay Mining Corp. ("Eskay" or the "Company") for the three and nine months ended November 30, 2020 has been prepared to provide material updates to the business operations, liquidity and capital resources of the Company since its last annual management discussion & analysis, being the Management's Discussion & Analysis ("Annual MD&A") for the fiscal year ended February 29, 2020. This Interim MD&A does not provide a general update to the Annual MD&A, or reflect any non-material events since the date of the Annual MD&A. The primary office of Eskay is located at The Canadian Venture Building, 82 Richmond Street East, Toronto, Ontario, M5C 1P1.

This Interim MD&A has been prepared in compliance with section 2.2.1 of Form 51-102F1, in accordance with National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the Company's Annual MD&A, audited annual financial statements for the years ended February 29, 2020 and February 28, 2019, together with the notes thereto, and unaudited condensed interim financial statements for the three and nine months ended November 30, 2020, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's unaudited condensed interim financial statements and the financial information contained in this Interim MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee. The unaudited condensed interim financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting. Accordingly, information contained herein is presented as of January 28, 2021, unless otherwise indicated.

For the purposes of preparing this Interim MD&A, management, in conjunction with the Board of Directors (the "Board"), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Further information about the Company and its operations is available on Eskay's website at **www.eskaymining.com** or on SEDAR at **www.sedar.com**.

Cautionary Note Regarding Forward-Looking Information

This Interim MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this interim MD&A speak only as of the date of this interim MD&A or as of the date specified in such statement. The following table outlines certain significant forward-looking statements contained in this Interim MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

Forward-looking statements	Assumptions	Risk factors
Potential of the Company's properties to contain economic deposits of precious and base metals.	Financing will be available for future exploration and evaluation of the Company's properties; the actual results of the Company's exploration and evaluation activities will be favourable; operating, exploration and evaluation costs will not exceed the Company's expectations; the Company will be able to retain and attract skilled staff; all requisite regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to the Company, and applicable political and economic conditions are favourable to the Company; the price of precious and base metals and applicable interest and exchange rates will be favourable to the Company; no title disputes exist with respect to the Company's properties.	Precious and base metals price volatility; uncertainties involved in interpreting geological data and confirming title to acquired properties; the possibility that future exploration results will not be consistent with the Company's expectations; availability of financing for and actual results of the Company's exploration and evaluation activities; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic and political conditions; ongoing uncertainties relating to the COVID-19 virus; the Company's ability to retain and attract skilled staff; availability of permits.
For fiscal 2021, the Company's operating expenses are estimated to be $20,000 to $30,000 per month for recurring administration costs.	The Company has anticipated all material costs; the operating and exploration activities of the Company for fiscal 2021 and the costs associated therewith, will be consistent with Eskay's current expectations.	Unforeseen costs to the Company will arise; any particular operating costs increase or decrease from the date of the estimation; changes in economic conditions.
The Company's cash position at November 30, 2020 is sufficient to fund its operating expenses for the twelve months ending November 30, 2021.	Financing will be available for the Company's exploration and evaluation activities and the results thereof will be favourable; actual operating and exploration costs will be consistent with the Company's current expectations; the Company will be able to retain and attract skilled staff; all applicable regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to the Company; the Company will not be adversely affected by market competition; debt and equity markets, exchange and interest rates and other applicable economic and political conditions are favourable to the Company; the price of gold and/or other applicable metals will be favourable to the Company; no title disputes exist with respect to the Company's properties.	Gold and other metals price volatility, changes in debt and equity markets; timing and availability of external financing on acceptable terms; the uncertainties involved in interpreting geological data and confirming title to acquired properties; the possibility that future exploration results will not be consistent with the Company's expectations; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic and political conditions; ongoing uncertainties relating to the COVID-19 virus. the Company's ability to retain and attract skilled staff; availability of permits; market competition.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company's ability to predict or control. Please also make reference to those risk factors referenced in the "Risks and Uncertainties" section below. Readers are cautioned that the above chart does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking statements, and that the assumptions underlying such statements may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this interim MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

Description of Business

The Company was incorporated under the British Columbia Business Corporations Act and continued on November 2, 2010, under the Business Corporations Act of Ontario. Its common shares are listed on the TSX Venture Exchange ("TSXV") (symbol "ESK") and the Frankfurt Stock Exchange (symbol "WKN 878985"). On July 9, 2020, the Company's common shares were approved for and started trading on the OTCQB Venture Market in the United States under the symbol (OTCQB: ESKYF). The Company is a natural resource company engaged in the acquisition and exploration of mineral properties in British Columbia, Canada. To date, the Company has not generated significant revenues from operations.

The Company has no revenues, so its ability to ensure continuing operations is dependent on its completing the acquisition of its mineral property interests, the discovery of economically recoverable reserves, confirmation of its interest in the underlying mineral claims, and its ability to obtain necessary financing to complete the exploration activities, development, if they are proven successful, and future profitable production.

Eskay's goal is to deliver superior returns to shareholders by concentrating on the exploration of its existing properties and the acquisition of properties that have the potential to contain gold or silver. The Company currently plans to focus on its material properties, as set out below under "Mineral Property Interests".

The Company will continue to attempt to raise capital to meet its ongoing operating activities.

Outlook and Economic Conditions

The Company is a Canadian base and precious metal exploration company, focused on exploring its current property interests, and on acquisitions of other mineral exploration properties, should such acquisitions be consistent with its objectives and acquisition criteria. The Company currently has operations in the Province of British Columbia, Canada. The Company's financial success will be dependent upon the extent to which it can make discoveries and on the economic viability of any such discoveries. The development of such assets may take years to complete and the resulting income, if any, is difficult to determine with any certainty. To date, the Company has not produced any revenues. The sales value of any minerals discovered by the Company is largely dependent upon factors beyond its control, such as the market value of the commodities produced.

There are significant uncertainties regarding the prices of base and precious metal and the availability of equity financing for the purposes of exploration and evaluation. The future performance of the Company is largely tied to the successful exploration, discovery and eventual development of its property interests, if they are proven successful, and other prospective business opportunities and the overall financial markets. Financial markets are likely to be volatile, reflecting ongoing concerns about the stability of the global economy. However, recently, equity markets in Canada have showed signs of improvement, with equities increasing significantly during this period. Strong equity markets are favourable conditions for completing a financing, public merger or acquisition transaction.

Management regularly monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions.

Due to the worldwide COVID-19 outbreak, material uncertainties may come into existence that could influence management's going concern assumption. Management cannot accurately predict the future impact COVID-19 may have on:

- Global gold prices;
- Demand for gold and the ability to explore for gold;
- The severity and the length of potential measures taken by governments to manage the spread of the virus, and their effect on labour availability and supply lines;
- Availability of essential supplies, such as water and electricity;
- Purchasing power of the Canadian dollar; or
- Ability to obtain funding.

The Canadian government has not introduced measures which impede the activities of Eskay. Management believes the business will continue and accordingly, the current situation bears no impact on management's going concern assumption. However, it is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of Eskay in future periods. The impact on the financial results and condition of Eskay in future periods. Accordingly, in order to execute the Company's plans for the near term as outlined under the heading "Mineral Property Interests" and meet the Company's administrative overhead, it is required to complete a financing. See "Risks and Uncertainties".

Highlights

- On April 15, 2020, the Company announced that the new website, found at www.eskaymining.com, has been launched. The website includes a Presentation by Dr. John DeDecker discussing the exploration potential of the Company's SIB Property.

- On May 15, 2020, the Company announced an extension on the exercise date of 1,282,000 warrants currently exercisable until June 1, 2020 (as to 1,082,000) and June 7, 2020 (as to 200,000) at $0.40 per share, issued pursuant to the private placement financing which closed in June of 2018, for a further year until June 1, 2021 and June 7, 2021 respectively. Each warrant entitles the holder to acquire one common share at a price of $0.40 until the earlier of (i) June 1, 2021; and (ii) in the event that the closing price of the common shares on the TSXV is at least $0.60 for ten (10) consecutive trading days, and the 10th trading day is at least four (4) months from June 1, 2018, the date which is thirty (30) days from the 10th trading day. Due to the modification of the warrants, an incremental fair value of $161,704 was recognized using the Black-Scholes pricing model with the following assumptions: expected dividend yield of 0%; expected volatility of 126% based on the Company's historical volatility; share price of $0.19; risk-free interest rate of 0.26% and an expected life of one year. On August 24, 2020, the Company announced that the extension of the remaining 1,142,000 warrants exercisable at $0.40 per share has been accelerated as a result of the fact that the Company's common shares have closed at a price of at least $0.60 for ten (10) consecutive trading days as of August 21, 2020. The remaining unexercised 2018 Warrants expired on September 23, 2020.

- On June 3, 2020, the Company closed the first tranche of its non-brokered private placement with the sale of 1,000,000 FT Units of the Company at a price of $0.255 per FT Units for $255,000 and 550,000 WC Unit at a price of $0.17 per WC Unit for $93,500. A finder was paid a cash fee of $1,275. The Company also announced that it plans to increase its flow-through offering by a further 2,050,000 FT Units to up to 8,950,000 FT Units of the Company at a price of $0.255 per FT Unit for up to $2,282,250 to fund its 2020 exploration.

- On June 19, 2020, the Company closed the final tranche of its non-brokered private placement with the sale of 7,950,000 FT Units of the Company at a price of $0.255 per FT Units for $2,027,250 and 2,452,941 WC Unit at a price of $0.17 per WC Unit for $417,000. The Company raised an aggregate of $2,282,250 in flow-through funds and $510,500 in working capital funds pursuant to the Offering. Proceeds from the Offering will be used to fund the Company's 2020 exploration program and for general working capital.

- On June 22, 2020, the Company announced the commencement of the 2020 exploration program. The program is designed to cover a broader extent of the Company's 526 square kilometer property in the heart of British Colombia's "Golden Triangle" and encompass an investigation of geophysical targets and generate new, high quality drill targets.

- On June 23, 2020, the Company entered into an agreement to settle a debt of $80,400 owed to Balkam Partners Ltd., a company controlled by the President and CEO of the Company, Hugh (Mac) Balkam, for management fees, and a debt of $281,782 owed to Mac Balkam for management fees, as to $250,000, and accrued interest on funds loaned to the Company by Mac Balkam, as to $31,782, for an aggregate of $362,122 of debt to be settled in consideration for the issuance of 2,130,129 common shares of the Company at a price of $0.17 per share, subject to disinterested shareholder approval which was obtained at the annual meeting on August 11, 2020.

- On June 24, 2020, the Company announced the grant of an aggregate of 1,500,000 stock options to directors and consultants of the Company. The stock options are exercisable at $0.24 per share for five years

- On July 9, 2020, the Company's common shares were approved for and started trading on the OTCQB Venture Market in the United States under the symbol (OTCQB: ESKYF).

- On July 10, 2020, the Company announced that Quinton Hennigh and Tom Weis will be presented as nominees for Directors of the Company at the upcoming Annual General and Special Meeting to be held on August 11, 2020.

- On July 14, 2020, the Company announced that its 2020 exploration program is advancing on schedule at its approximately 526 square kilometer property in the heart of British Colombia's Golden Triangle. Importantly, recent review of historic diamond drill core from holes drilled at numerous prospects within Eskay's land tenure indicates that these systems all display a volcanogenic massive sulphide ("VMS") affinity. VMS Deposits are sulphide rich accumulations that formed around black smokers associated with submarine hot springs. Such deposits usually occur in clusters on the sea floor resulting in mineral districts once uplifted onto continents. This new revelation implies that the partially explored systems on Eskay Mining's property potentially collectively comprises a greater Eskay Creek VMS district.

- On July 21, 2020, the Company granted 350,000 stock options to a consultant of the Company. The stock options are exercisable at $0.46 per share for five years.

- On July 28, 2020, the Company commenced a private placement offering of up to 3,500,000 FT Units of the Company at a price of $0.645 per FT Units for up to $2,257,500 and up to 4,500,000 WC Units at a price of $0.45 per WC Unit for up to $2,025,000 to fund its 2020 exploration.

- On July 28, 2020, the Company announced that it has secured a diamond drill through Driftwood Diamond Drilling Ltd to undertake a minimum 3,000 m drill program this exploration season. Drilling is expected to commence in a few weeks after the Company has reviewed incoming geophysical data designed to refine drill targeting at multiple precious metal rich volcanogenic massive sulphide targets.

- On August 19, 2020, the Company closed its non-brokered private placement with the sale of 3,500,000 FT Units of the Company at a price of $0.645 per FT Units for $2,257,500 and 2,559,444 WC Unit at a price of $0.45 per WC Unit for $1,151,750. The Company raised an aggregate of $3,409,250 pursuant to the Offering.

- On September 22, 2020, the Company announced that it has encountered precious metal-bearing volcanogenic massive sulphide mineralization in its first diamond drilling at the TV target on joint venture ground held with Kirkland Lake Gold Ltd.

- On October 16, 2020, the Company announced that it has completed a highly successful diamond drill campaign encompassing 4,335.55m in 20 holes at its TV-Jeff precious metal-bearing volcanogenic massive sulphide target on joint venture ground held with Kirkland Lake Gold Ltd.

- On November 20, 2020, the Company entered into an agreement with Echelon Wealth Partners Inc., and Eight Capital as co-lead agents that have agreed to sell, on a "Best efforts" private placement basis, up to approximately $10,000,000 of units, traditional flow-through shares and flow-through units of the Company at a price of $0.90 per unit, $1.05 per flow-through share and $1.25 per flow through unit. Each unit and flow-through unit will consist of one common share of the Company and one half of one common share purchase warrant, with each warrant entitling the holder thereof to acquire one common share of the Company at a price of $1.30 for a period of two years following the closing of the offering.

- On December 14, 2020, the Company announced that it has closed the brokered private placement offering previously announced on November 20, 2020 and has issued an aggregate of 1,214,100 units of the Company at a price of $0.90 per unit, 2,904,700 flow-through shares of the Company at a price of $1.05 and 7,725,600 flow-through units of the Company at a price of $1.25, for an aggregate gross proceeds of $13,799,625.

- On December 22, 2020, the Company announced that it has confirmed discovery of two precious metal-rich volcanogenic massive sulphide deposits at the TV and Jeff targets on the joint venture ground held with Kirkland Lake Gold Ltd.

- On January 6, 2021, the Company announced that effective immediately Dr. John DeDecker is appointed VP of Exploration and M Robert Myhill became the VP of Finance.

Trends

Management regularly monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions. Strong equity markets are favourable conditions for completing a public merger, financing or acquisition transaction. Apart from these and the risk factors noted under the heading "Risks and Uncertainties", and "Outlook and Economic Conditions", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations.

Mineral Property Interests

Dr. Quinton Hennigh, P. Geo., a member of the Company's Advisory Team, is a Qualified Person under the definition of National Instrument 43-101. Dr. Hennigh has approved the disclosure contained under the heading "Mineral Property Interests" and has verified the scientific and technical data contained herein.

The following table summarizes the Company's current exploration programs at the SIB Property and Corey Mineral Claims, and total estimated cost to complete each exploration program, and total expenditures incurred during the period presented. For more information about exploration expenditures incurred by category, please see "Additional Disclosure for Venture Issuers Without Significant Revenue" below.

Summary of Completed Activities (Nine months ended November 30, 2020)	(A) Spent (approx.)	Plans for the Project (Fiscal 2020)	(B) Planned Expenditures (approx.)
Based on the Company's working capital surplus of $2,924,385 at November 30, 2020 (February 29, 2020 – working capital deficit of $497,021), the Company should have sufficient funds for its exploration work requirements. The major variables are expected to be the size, timing and results of the Company's exploration program and its ability to continue to access capital to fund its ongoing operations. Notes 1 and 2 below refer to work on the Corey claims (100% Eskay) and the "JV claims" (a joint venture between Eskay Mining and St. Andrew Goldfield). All the projects are in good standing until at least the end of 2021.	$2,201,000	Diamond drilling this fall (2020) at the TV and Jeff occurrences (mainly on the "JV claims, see Note 2 below) will likely continue until the onset of winter conditions. Data collected during the 2020 field season will be compiled, evaluated and interpreted during the remainder of the year and into 2021, and plans will be formulated for exploration during the 2021 field season. Permitting has been completed for a large-scale deep drilling program at the SIB. The other areas discussed in Note 1 will also be the focus for work aimed at developing drill targets. On the North Mitchell block, the intention remains to undertake further geologic mapping to help target mineralizing systems on the block, which lies north of Brucejack and east of Fe Cap. On the southernmost Eskay tenures, the Company flew an airborne geophysical survey aimed at targeting Ni-Cu-Co mineralization akin to that intersected at Garibaldi's Nickel Mtn. occurrence on the adjacent property to the west. Follow-up reconnaissance prospecting, geochemical surveys, and mapping still need to be undertaken to better evaluate the potential for this style of mineralization, as well as for Eskay Creek-style mineralization in the Middle Jurassic felsic submarine volcanic stratigraphy farther south on the property. At the same time, copper porphyry style mineralization in the Big Red area will be further assessed for its depth potential.	$3,170,000
	$2,201,000		**$3,170,000**

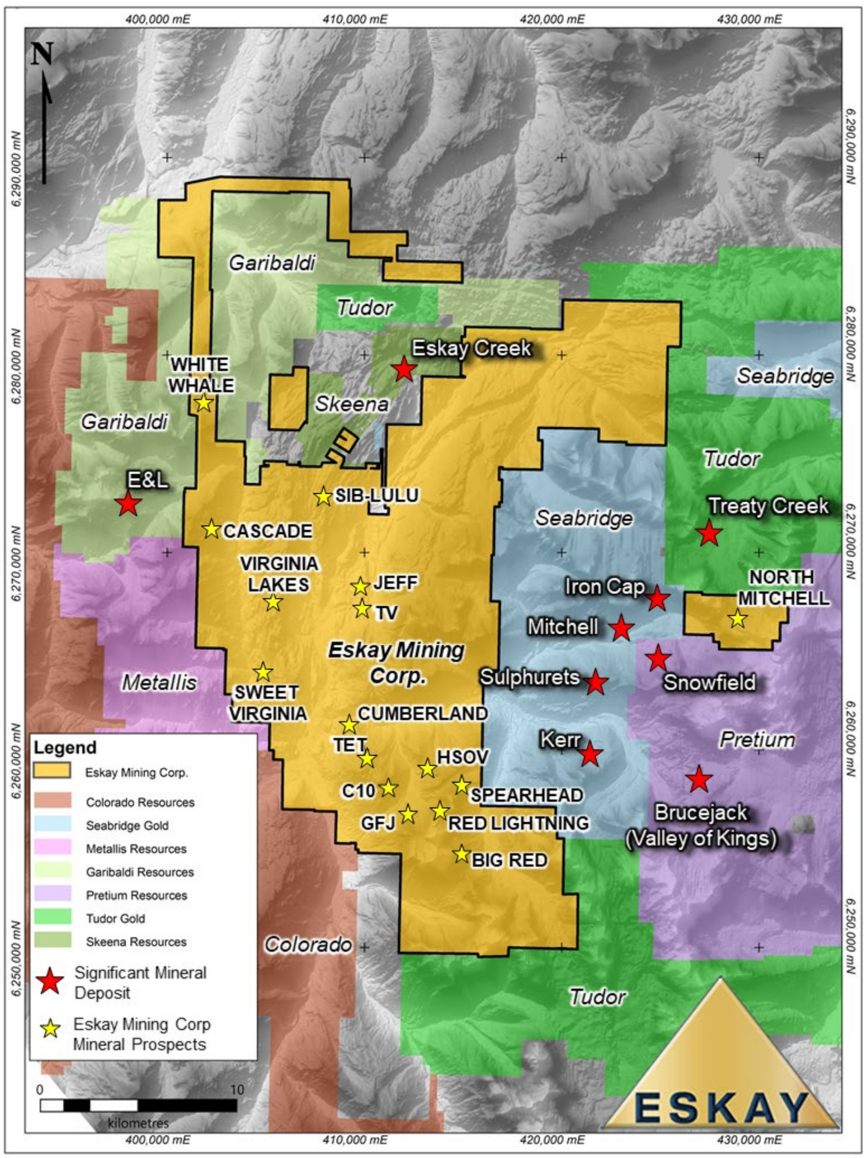
The Company's tenures are in good standing until 2029.

<u>Note 1</u>

Corey Mineral Claims

In September 1990, the Company acquired a 100% interest in mineral tenures located in the Skeena Mining Division, Province of British Columbia for $30,000 cash and a royalty of 5% of net profits from these claims to a maximum of $250,000.

These mineral properties are located in northwestern British Columbia, 70 km northwest of Stewart. The Company holds a 100% interest in these mineral tenures subject to a 2% net smelter royalty.



Map showing property boundary, nearby mineral deposits, and the Au-Ag VMS deposits discussed in this report.

Tet-C10

Tet and C10 were a significant focus of the 2020 field program. Relogging and sampling of historic drill core, reconnaissance mapping, and induced-polarization (IP) investigations were conducted. Historic drilling at C10 intercepted numerous auriferous intervals grading as high as 100 g/t, with numerous intercepts in the 1-10 g/t range. Previous and new surface investigations at Tet show the presence of high-grade Ag sulfosalt mineralization.

Re-examination of historic drill indicates that Tet-C10 are within the volcanic-arc related Betty Creek Formation, as are Jeff, TV, and the lower stratigraphy at SIB. Betty Creek Formation rocks at Tet-C10 is more metamorphosed than further north, however relict primary rock textures and mineralogy, coupled with geochemical analyses have confirmed the intermediate composition and volcanic arc-related nature of host rocks at Tet-C10. Examination of the topographic expression using 3-D modelling shows that Tet-C10 lies along the newly identified east limb of the Eskay anticline, forming a mineralized trend with Jeff and TV to the north.

Induced polarization investigations show chargeability and resistivity anomalies similar in shape, size, and magnitude to those at Jeff, TV; indicating the possible presence of several stratiform mineralized horizons. Mineralization encountered in historic drilling correlates with chargeability anomalies, just as at Jeff and TV. Several chargeability anomalies extend to the south and east beyond historic drilling in areas where past surface sampling has encountered Au and Ag mineralization.

The results summarized above are consistent with Tet-C10 forming a component of the east-limb Eskay anticline trend of VMS deposits along with TV and Jeff.

GFJ

The IP surveys conducted at Tet-C10 extended eastwards to include the GFJ Au-Ag showing. These investigations show chargeability and resistivity anomalies similar in shape, size, and magnitude to those at Tet-C10; indicating the possible presence of several stratiform mineralized horizons. Past surface sampling has indicated the possibility of high-grade Au-Ag mineralization at GFJ. Most of the high-grade surface samples were collected in locations corresponding with chargeability anomalies.

Red Lightning

The 2020 field program included relogging 3 representative drill holes from Red Lightning, RL-3, RL-4, and CR06-86. These holes are characterized by gabbro intruded into contact metamorphosed Betty Creek Formation volcanic arc-related rocks. The gabbro has zones of silicate-sulfide immiscibility with sulfide minerals grading from disseminated to massive. Mineralogy is dominated by pyrrhotite and chalcopyrite, with sphalerite and Ni-sulfides as accessory minerals. The relative age of the gabbro places the intrusion during the period when VMS systems were active, suggesting the gabbro intrusions at E&L and Red Lightning may represent the rift-related magmatic intrusions that drive VMS hydrothermal systems. This possibility is being investigated.

The grades intersected to date are sub-economic (20.4 m at 0.79% Cu, 0.42% Ni and 0.08% Co, including 10 m at 1.03% Cu, 0.55% Ni and 0.10% Co. The Red Lightning area remains prospective given its location along the Au-rich trend from C10-Tet to Spearhead identified by drilling and surface sampling.

Spearhead

Reconnaissance mapping, sampling, IP investigations, and relogging of historic drill core SH-2 was conducted at Spearhead in 2020.

Spearhead is a mudstone-hosted VMS deposit approximately 1 km northeast of Red Lightning. Mudstone with semi-massive sulfide mineralization outcrops on the surface forming a SE-NW trend extending approximately 150 meters. Past surface sampling encountered grades of 2-4 g/t along the mineralized outcrop. Surface investigations and examination of drill core SH-2 show that Spearhead is likely hosted within felsic volcanic rocks belonging to the Bruce Glacier felsic unit of the Upper Hazelton Group.

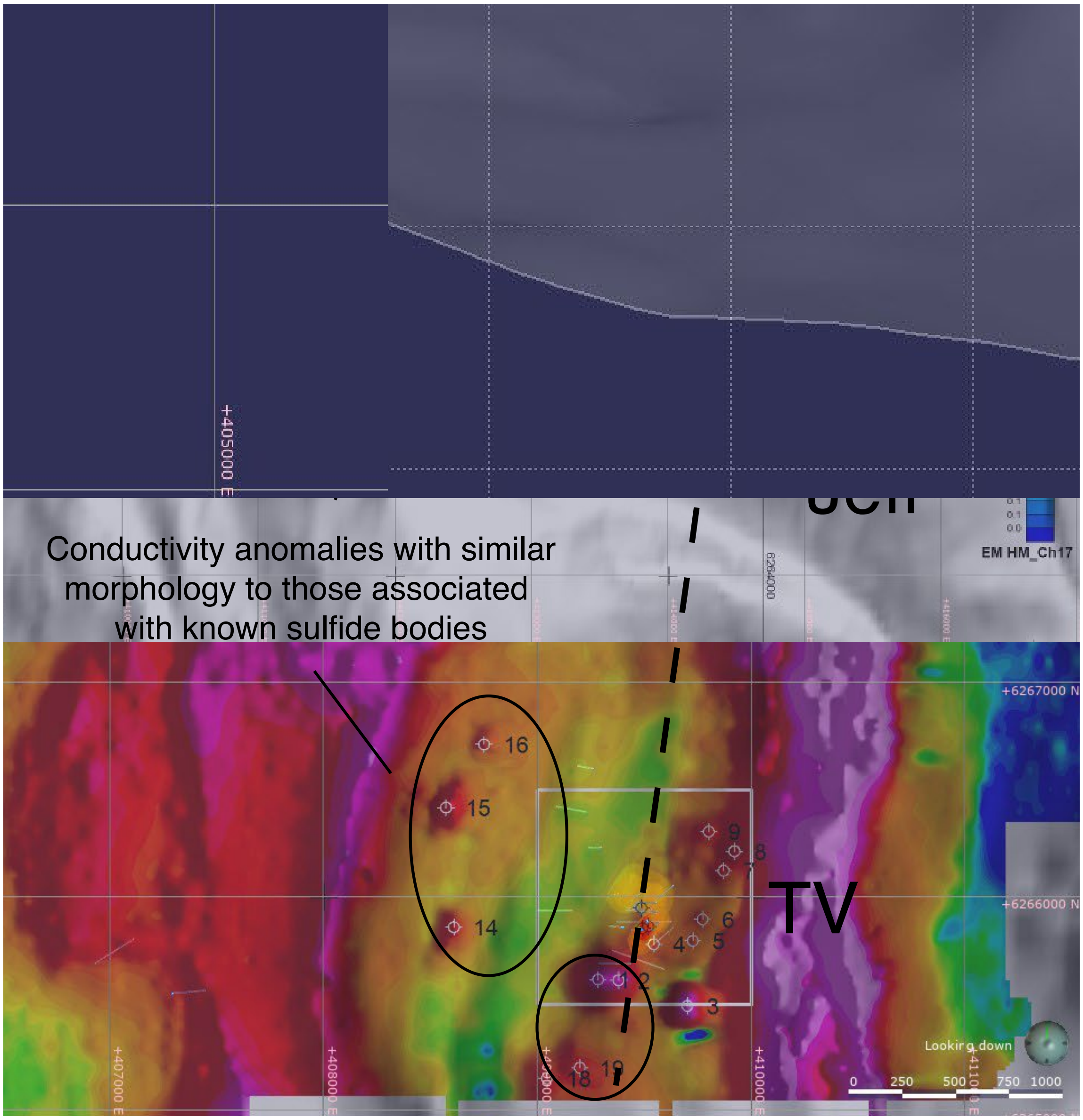
Induced polarization investigations show a correlation between outcropping mineralization and chargeability. Chargeability anomalies extend to the SE along the strike of the mineralized trend, and extend down-dip along stratigraphy.

Note 2

Jeff and TV

The Jeff showing lies 4 km south-southeast of the Lulu zone and the TV showing 1.5 km south of Jeff. Drilling in 2020 intercepted Au grades as high as 84.4 g/t over 1 meter, and silver grades up to 2430 g/t. The TV and Jeff area has enormous precious metal potential, and is a high priority for exploration in 2021. Au-Ag VMS-related stratiform mineralization occurs within dacite breccia and peperitic mudstone, similar to the ELM Zone at Eskay Creek, and mineralization at SIB-Lulu. The deposits are associated with intense hydrothermal alteration, and stratiform- to stringer-style sulfide and sulfosalt mineralization. The precious metal mineralogy is primarily: arsenian pyrite, arsenopyrite, electrum, miargyrite, and pyrargerite.

A SkyTEM survey of the area shows that known mineralization correlates with distinct high conductivity anomalies. Many such conductivity anomalies that lie on trend with TV and Jeff were discovered. Magnetotelluric (MT) and IP surveys were performed and confirm our model of stacked stratiform sulfide mineralization. As with the SkyTEM survey, the MT and IP surveys have anomalies that correlate well with the SkyTEM data and with sulfide mineralization. Geophysical investigations have confirmed our geologic model, and will be used to plan drilling on the numerous targets in the TV-Jeff area.



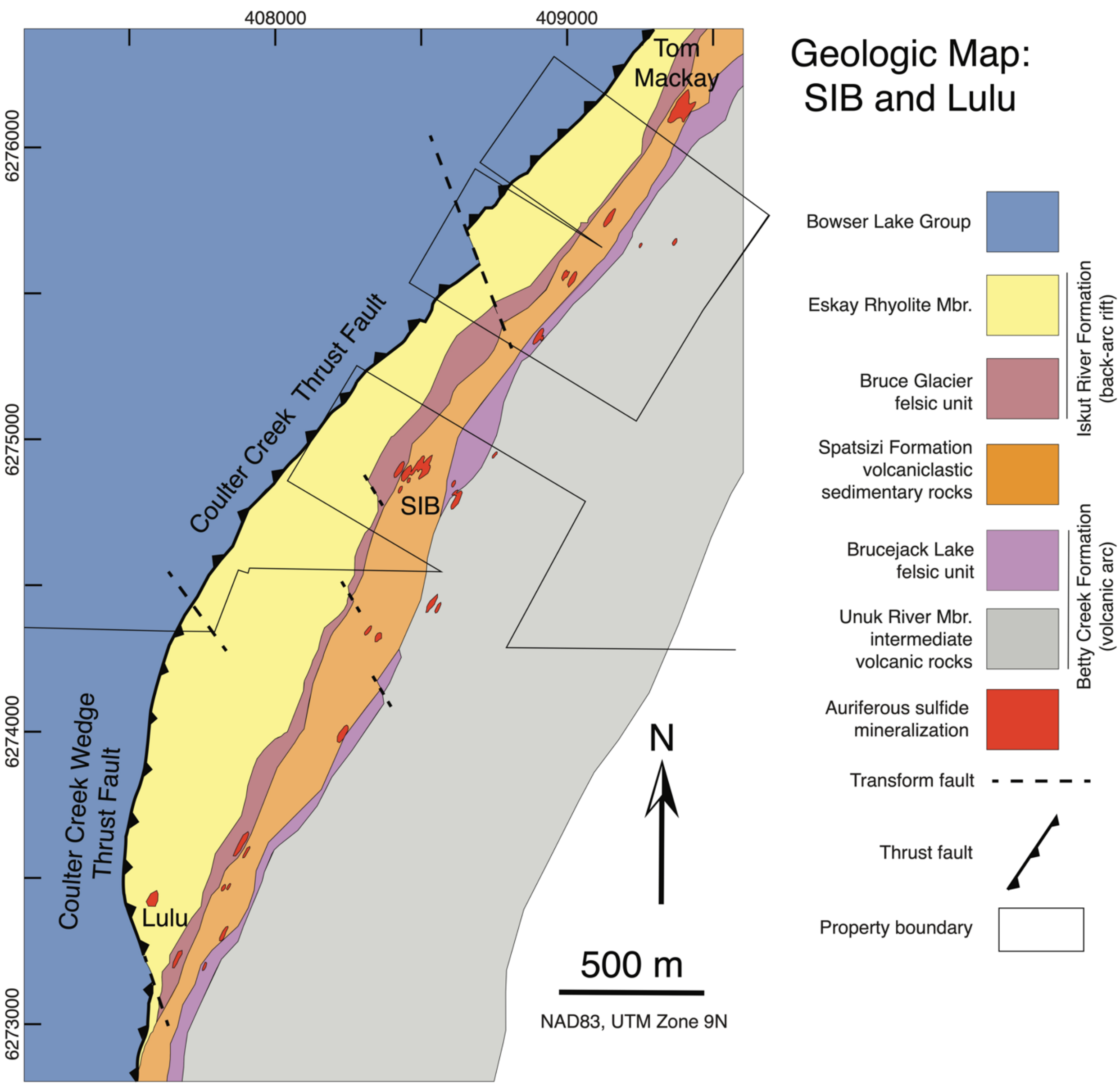
SkyTEM conductivity map of TV and Jeff showing known mineralized zones and anomalies suggestive of additional mineralized zones.

SIB and Lulu

SIB lies 4.5 km southwest of Eskay Creek Mine, with Lulu 2.5 km southwest of SIB. The SIB and Lulu showings are within a corridor of stratiform Au-Ag sulfide mineralization extending from Eskay Creek along the west limb of the Eskay anticline to the Lulu zone approximately 7 km to the southwest.

Work at SIB and Lulu comprised a detailed relogging and sampling of select drill holes for stratigraphic, structural, geochemical, mineralogical, and precious metal investigations. These investigations confirmed our reinterpretation of the Coulter Creek Thrust Fault as west-dipping with a wedge back-thrust near the Lulu Zone, and the presence of stratiform Au-Ag mineralization stratigraphically correlated with the Lower and Even Lower Mudstones at Eskay Creek. At Lulu the confirmation of the wedge back-thrust fault, and stratiform Au-Ag mineralization associated with intense hydrothermal alteration open up a new exploration strategy for SIB-Lulu. Three-dimensional modelling of historic drilling shows that the Lulu-horizon continues below the wedge back-thrust fault. This opens up the possibility for finding the continuation of the Lulu Zone.

Historic drilling encountered numerous intervals with 1-15 g/t grades along strike all the way from SIB to Lulu. Now that the geometry and style of mineralization have been ascertained exploration at SIB-Lulu can be performed in a systematic and targeted manner.



Geologic map of the SIB and Lulu VMS deposits. The Tom Mackay deposit is owned by Skeena Resources.

2020 Exploration

In 2020, the Company focused on a number of areas of both the JV and Corey properties. Central to this was a review and resampling of previously drilled core that was mainly stored at the Corey Camp, near the confluence of Sulphurets Creek with the Unuk River. Observations on core from a number of prospects strongly suggests that these systems display features common to volcanogenic massive sulphide ("VMS") systems, which are sulphide-rich acculations formed around sea-floor "black smokers" associated with submarine hot springs. Such deposits typically occur in clusters on the sea floor, and once the sea-floor rocks have been uplifted and exposed in a continental or island landmass, they may form a mineral district, such as the Noranda district in Quebec, Flin-Flon in Manitoba, or Buchans in Newfoundland. Our new work suggests that the partially explored systems on the JV and Corey properties potentially comprise a greater Eskay Creek VMS district.

Highlights from the 2020 Exploration Program:

A systematic review of historic drill core from several prospects within Eskay's land tenure indicates that these deposits are all volcanogenic massive sulphide ("VMS") deposits.

- Core drilling at TV and Jeff showed that these deposits are stacked stratigraphically, associated with intense hydrothermal alteration, and stratiform- to stringer-style sulfide and sulfosalt mineralization. The precious metal mineralogy is primarily: arsenian pyrite, arsenopyrite, electrum, miargyrite, and pyrargerite. The SkyTEM survey of the area shows that known mineralization correlates with distinct high conductivity anomalies. Many such conductivity anomalies that lie on trend with TV and Jeff were discovered. The potential for substantial mineralization along strike, and up-stratigraphy from known auriferous sulfide bodies is high. Consequently TV and Jeff are a high priority for further exploration

- SIB and Lulu were shown to have auriferous horizons stratigraphically equivalent to the Lower Mudstone and ELM Zones at Eskay Creek. The SIB and Lulu showings are within a corridor of stratiform Au-Ag sulfide mineralization extending from Eskay Creek along the west limb of the Eskay anticline to the Lulu zone approximately 7 km to the southwest.

- Tet and C10 lie on the same trend of east limb Eskay anticline VMS deposits as TV and Jeff. Historic drilling graded up to 100 g/t Au. C10 is the metamorphic equivalent of TV and Jeff. IP surveys indicate similar chargeability anomalies to those at TV and Jeff.

- The Spearhead VMS deposit outcrops on the surface for over 150 m and is hosted by carbonaceous mudstone within felsic volcanic rocks. Surface samples grade as high as 4 g/t. Spearhead has had minimal exploration and will be a focus of a mapping and sampling program in 2021.

- The Cumberland deposit indicates that west-limb VMS deposits continue far south of Lulu. The host rock to the mineralized zones is near the upper Eskay Rhyolite-basalt contact, quite possibly the same rhyolite that comprises the footwall of the Eskay Creek deposit. This suggests that the Cumberland VMS system formed during the same time period and at the same stratigraphic position as Eskay Creek. The majority of the Cumberland deposit has been eroded into the Sulphurets Creek over time, however the presence of the rhyolite-basalt contact suggests Au proceptivity on the west limb of the Eskay anticline continues to the south.

- During the 2020 field season, Eskay Mining conducted several geophysical surveys over number of parts of the property to help evaluate the geological prospects discussed above. This work had a particular focus on generating priority drill targets for diamond drill testing, either this season (please refer to the Company's news releases dated June 22, 2020 and July 28, 2020 for more details) or next. The Company contracted an airborne Skytem electromagnetic survey, and ran ground-based induced polarization and magnetotelluric surveys in the TV-Jeff and Spearhead-C10-Tet prospect areas. As the data is fully processed and interpreted, it will be presented to the market along with further proposed drill targets.

- The Company also undertook a property-wide BLEG (Bulk Leachable Extractable Gold) sampling program across both the Corey and JV project areas, with approximately 125 samples collected that will help characterize and prioritize further work in individual drainage basins.

Deposits and Exploration Advances

As at November 30, 2020, the Company had $72,870 (February 29, 2020 - $72,870) of deposits and exploration advances held by the provincial government of British Columbia. Such deposits were required by the B.C Ministry of Energy and Mines in order to permit the Company to conduct exploration and evaluation activities in that province.

Financial Highlights

Financial Performance

Three Months Ended November 30, 2020, Compared with Three Months Ended November 30, 2019

Eskay's net loss totaled $1,042,824, for the three months ended November 30, 2020, with basic and diluted loss per share of $0.01. This compares with a net loss of $302,677 with basic and diluted loss per share of $0.00 for the three months ended November 30, 2019. The increase of $740,147 was principally because:

- During the three months ended November 30, 2020, exploration and evaluation expenditures increased by $1,243,224 compared to the three months ended November 30, 2019. See "Mineral Properties Interest" section above for a description of activities.

- The decrease in share-based payments of $140,000 for the three months ended November 30, 2020, compared to the three months ended November 30, 2019, was due to 1,850,000 stock options issued in the 2020 period while nil options were issued in the 2019 period. Share-based payments will vary from period to period depending upon the number of options granted and vested during a period and the fair value of the options calculated as at the grant date.

- The increase in flow-through share liability recovery of $408,415 for the three months ended November 30, 2020, compared to $nil for the three months ended November 30, 2019. This is due to the fact that the Company did not have to raise funds through flow-through shares during the three months ended November 30, 2019.

- During the three months ended November 30, 2020, professional fees increased by $21,981 compared to the three months ended November 30, 2019 due to the increased legal fees related to the closing of the private placements and the annual which occurred during the three months ended November 30, 2020.

- All other expenses related to general working capital purposes.

Nine months ended November 30, 2020, Compared with Nine Months Ended November 30, 2019

Eskay's net loss totaled $3,638,600 for the nine months ended November 30, 2020, with basic and diluted loss per share of $0.03. This compares with a net loss of $671,968 with basic and diluted loss per share of $0.01 for the nine months ended November 30, 2019. The increase of $2,956,090 was principally because:

- During the nine months ended November 30, 2020, exploration and evaluation expenditures increased by $3,590,994 compared to the nine months ended November 30, 2019. See "Mineral Properties Interest" section above for a description of activities.

- The increase in share-based payments of $136,075 for the nine months ended November 30, 2020, compared to the nine months ended November 30, 2019, was due to 1,850,000 stock options issued with a weighted average exercise price of $0.28 in the 2020 period while 4,150,000 stock options with a weighted average exercise price of $0.09 were issued in the 2019 period. Share-based payments will vary from period to period depending upon the number of options granted and vested during a period and the fair value of the options calculated as at the grant date.

- The increase in flow-through share liability recovery of $1,060,456 for the nine months ended November 30, 2020, compared to $463 for the nine months ended November 30, 2019. This is due to the issuance of flow through shares during the nine months ended November 30, 2020.

- During the nine months ended November 30, 2020, management and consulting fees decreased by $60,000 compared to the nine months ended November 30, 2019 due to the accrual of directors fees covering the prior periods which occurred during the three months ended November 30, 2019.

- During the nine months ended November 30, 2020, professional fees increased by $84,444 compared to the nine months ended November 30, 2019 due to the increased legal fees related to the closing of the private placements which occurred during the nine months ended November 30, 2020.

- All other expenses related to general working capital purposes.

Cash Flow

At November 30, 2020, the Company had cash of $2,608,521 compared to $177,307 at February 29, 2020. The increase in cash of $2,431,214 was as a result of cash inflow in financing activities of $7,524,175 which was due to proceeds from private placements of $6,202,000, proceeds from the exercise of stock options of $117,150 and proceeds from the exercise of warrants of $1,217,800, and offset by share issuance costs of $12,775.

Operating activities were affected by net loss of $3,638,600, non-cash adjustments of $443,497, and non-cash working capital items of $1,010,864. Non-cash adjustments consisted of share-based payments of $453,575, accretion of $1,680, warrant modification expense of $161,704, and was offset by flow through share recovery liability of 1,060,456. Non-cash working capital balances consisted of an increase in amounts receivable of $929,275, an increase in prepaid expenses of $9,058, an increase in accounts payable and accrued liabilities of $5,658 and a decrease in amounts due to related parties of $66,873.

Liquidity and Financial Position

The activities of the Company, principally the acquisition, exploration and evaluation of mineral properties, are financed through equity offerings and the exercise of warrants or options. The Company continues to seek capital through various means including the issuance of equity and/or debt.

The Company has no operating revenues and therefore must utilize its current cash reserves and other financing transactions to maintain its capacity to meet ongoing discretionary and committed exploration and operating activities.

At November 30, 2020, the Company had a working capital surplus of $2,924,385 (February 29, 2020 – working capital deficiency $497,021).

At November 30, 2020, the Company has no debt. Its credit and interest rate risk is minimal and amounts payable and other liabilities are short term and non-interest bearing.

The Company has traditionally supplemented equity financing from time to time by obtaining loans from related parties. These are used to provide interim, short-term financing to meet day-to-day cash flow needs on occasion, and are not intended to be a long-term source of capital.

The Company's use of cash at present occurs, and in the future will occur, principally in two areas, namely, funding of its general and administrative expenditures and funding of its investment activities. Those investing activities include the cash components of the cost of acquiring and exploring its mineral claims. For fiscal 2021, the Company's expected operating expenses are estimated to be $20,000 to $30,000 per month for recurring operating costs. The Company will continue to evaluate its exploration projects and is currently estimates its exploration budget to be $3,170,000.

The Company believes it has sufficient cash to fund its operating expenses and exploring its mineral claims for the twelve months ended November 30, 2021. Beyond this point there can be no assurance that management of Eskay will continue as a going concern or be successful in undertaking equity financing on terms that are acceptable to the Company.

Related Party Transactions

Related parties include the Board of Directors, officers, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions. Eskay was a party to the following transactions with related parties:

Management and Consulting Fees	**Three Months Ended November 30, 2020 $**	**Three Months Ended November 30, 2019 $**	**Nine Months Ended November 30, 2020 $**	**Nine Months Ended November 30, 2019 $**
Hugh M. Balkam (1)	9,000	9,000	27,000	27,000
Balkam Partners Ltd. (2)	27,000	27,000	81,000	81,000
Marrelli Support Services Inc. (3)	5,610	5,610	16,830	16,830
Robert Myhill	3,750	3,750	11,250	41,250
Gordon McMehen	3,750	3,750	11,250	41,250
Total	**49,110**	**49,110**	**147,330**	**207,330**

Professional Fees	Three Months Ended November 30, 2020 $	Three Months Ended November 30, 2019 $	Nine Months Ended November 30, 2020 $	Nine Months Ended November 30, 2019 $
Marrelli Support Services Inc. [(4)]	6,643	10,765	19,248	23,720
Gardiner Roberts LLP. [(7)]	55,442	29,338	131,520	36,320
Total	**62,085**	**40,095**	**150,768**	**60,040**

[(1)] Fees for performing the function of Chief Executive Officer.

[(2)] Management fees charged by Balkam Partners Ltd., a company controlled by Hugh M. Balkam, an officer of the Company. As at November 30, 2020, Balkam Partners Ltd. and Hugh M. Balkam were owed $10, (February 29, 2020 - $362,132) and these amounts were included in amounts due to related parties.

[(3)] Fees for performing the function of Chief Financial Officer ("CFO") charged by Marrelli Support Services Inc., a company controlled by Carmelo Marrelli, CFO of the Company.

[(4)] Professional fees charged by Marrelli Support Services Inc., a company controlled by Carmelo Marrelli, CFO of the Company. As at November 30, 2020, the Company owed Marrelli Support Services Inc. $678 (February 29, 2020 - $24,915).

[(5)] As at November 30, 2020, Hugh M. Balkam, an officer of the Company, was owed $nil (February 29, 2020 - $31,782) which pertained to interest accrued on a loan advanced to the Company during the year ended February 29, 2020.

[(6)] As at November 30, 2020, the Company owed certain officers, directors and parties related to officers and directors $62,714 (February 29, 2020 - $458,407), excluding interest disclosed in (5) above, in relation to the transactions described above. These balances are unsecured, non-interest bearing and due on demand.

[(7)] During the three and nine months ended November 30, 2020, the Company paid professional fees and disbursements of $55,442 and $131,520, respectively (three and nine months ended November 30, 2019 - $29,330 and $36,320, respectively) to Gardiner Roberts LLP ("Gardiner"), a law firm of which William R. Johnstone, Corporate Secretary of the Company, is a partner. These services were incurred in the normal course of operations for general corporate matters. As at November 30, 2020, Gardiner is owed $45,504 (February 29, 2020 - $13,257) and this amount is included in amounts due to related parties. These balances are unsecured, non-interest bearing, and due on demand.

During the three and nine months ended November 30, 2020, a director of the Company subscribed for 2,452,941 WC Units for $417,000, in connection to the June 22, 2020 private placement.

During the three and nine months ended November 30, 2020, the Company granted 1,500,000 stock options to directors and consultants at $0.24 per share for five years expiring June 24, 2025. These options vested immediately and have a grant date fair value of $308,850.

During the nine months ended November 30, 2020, 2,130,129 shares were issued to a director of the Company for settlement of $362,122 of debt.

To the knowledge of the Company, as at November 30, 2020, Hugh Balkman, a director of the Company owns 13,894,216 common shares of the Company carrying approximately 11.74% of the voting rights attached to all common shares of the Company. As at November 30, 2020, directors and officers of the Company control an aggregate of 23,741,361 common shares of the Company or approximately 20.07% of the shares outstanding.

The Company is currently not aware of any arrangements that may at a subsequent date result in a change in control of the Company. To the knowledge of the Company, it is not directly or indirectly owned or controlled by another corporation, by any government or by any natural or legal person severally or jointly.

Outstanding Share Data

As at the date of this MD&A, the Company had 156,460,935 common shares issued and outstanding, 11,620,000 stock options, and 17,088,553 warrants outstanding, and 291,394 underlying warrants reserved for issuance for fully diluted amount of 185,460,882.

Environmental Contingency

The Company's mining and exploration activities are subject to various government laws and regulations relating to the protection of the environment. These environmental regulations are continually changing and generally becoming more restrictive. As of November 30, 2020, the Company does not believe that there are any significant environmental obligations requiring material capital outlays in the immediate future.

Subsequent events

On December 14, 2020, the Company closed its brokered private placement with the sale of 1,214,100 Units at a price of $0.90 per unit, 2,904,700 FT Shares at a price of $1.05 per FT Share and 7,725,600 FT Units at a price of $1.25 per FT Units for aggregate gross proceeds of $13,799,625. The broker agents were paid a cash commission of $737,978 and issued 582,789 compensation options (the "Compensation Options"). Each Compensation Option entitles the holder thereof to subscribe for one Unit at the Unit Issue Price until December 11, 2022.

Risks and Uncertainties

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. Please refer to the section entitled "Risks and Uncertainties" in the Company's Annual MD&A for the fiscal year ended February 29, 2020, available on SEDAR at **www.sedar.com**.

Disclosure of Internal Controls

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence to ensure that (i) the unaudited condensed interim financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the unaudited condensed interim financial statements; and (ii) the unaudited condensed interim financial statements fairly present in all material respects the financial condition, financial performance and cash flows of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate filed by the Company does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing such certificate are not making any representations relating to the establishment and maintenance of:

i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of unaudited condensed interim financial statements for external purposes in accordance with the issuer's generally accepted accounting principles (IFRS).

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in such certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.