ESKAY MINING CORP.

INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS
– QUARTERLY HIGHLIGHTS

FOR THE THREE AND NINE MONTHS ENDED NOVEMBER 30, 2021
(EXPRESSED IN CANADIAN DOLLARS)

Prepared by:

ESKAY MINING CORP.

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Discussion dated January 28, 2022

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, 2021 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 28, 2021. 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 28, 2021 and February 29, 2020, together with the notes thereto, and unaudited condensed interim financial statements for the three and nine months ended November 30, 2021, 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, 2022, 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 the 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. For fiscal 2022, the company's exploration expenses are estimated to be approximately $1,175,000 per month. Refer to Mineral Property Interests section.	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 2022, the Company's operating expenses are estimated to be $90,000 per month.	The Company has anticipated all material costs; the operating activities of the Company for fiscal 2022 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, 2021 is sufficient to fund its operating and exploration expenses for the fiscal period ending February 28, 2022.	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 refer 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 because 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 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 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. 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, 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. Accordingly, 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, the Company is required to complete a financing. See "Risks and Uncertainties".

Highlights

On March 8, 2021, the Company announced that it has closed the acquisition of 23,703,688 common shares of Garibaldi Resources Corp ("GGI") from The Sprott Foundation in consideration for the issuance of 4,211,719 working capital units of Eskay at a price of $2.56 per working capital unit. Each working capital unit consists of one common share of the company and one warrant. Each warrant entitles the holder thereof to purchase one common share at a price of $2.82 per warrant share until the earlier of: (i) the date which is two years following the closing of the acquisition of common shares; and (ii) in the event that the closing price of the common shares on the TSX Venture Exchange is at least $3.72 for twenty consecutive trading days, and the 20th trading day is on or after August 1, 2021, the date which is thirty days from the final trading day. Upon acquisition of the common shares, the Company held 19.5% of the issued and outstanding common shares of GGI. The acquisition of common shares was made for investment purposes.

On March 25, 2021, and March 26, 2021, the Company announced that it has acquired a 100% interest in all the properties, including the Jeff and TV targets, which was subject to a joint venture with St. Andrew Goldfields Ltd., a wholly-owned subsidiary of Kirkland Lake Gold Ltd., pursuant to a joint venture agreement dated November 25, 2016, as amended (the "JV Agreement"). Pursuant to the terms of the JV Agreement, the joint venture has been terminated whereby the property is 100% owned by the Company, and St. Andrew has been converted to the holder of a 2% net smelter return royalty (the "NSR"). Eskay has the right, exercisable at any time, to purchase one half of the 2% NSR held by St. Andrew for $3 million and has the right of first refusal to purchase the remaining 1% NSR.

On April 13, 2021, the Company announced that it has reviewed all data from its 2020 exploration campaign and has conclusively identified multiple mineralized horizons at its 100% owned consolidated Eskay precious metal-rich volcanogenic massive sulphide ("VMS") project in the Golden triangle, British Columbia.

On April 22, 2021, the Company announced that it has commenced its 2021 exploration program with a property wide SkyTem survey across its 100% owned Eskay-Corey precious metal-rich VMS project in the Golden Triangle British Columbia.

On June 29, 2021, the Company announced that it has commenced its 2021 drill campaign at its 100% owned Eskay-Corey precious metal-rich VMS project in the Golden Triangle, British Columbia This summer, the Company plans to drill at least 30,000m of diamond core at multiple targets across its 526 sq km of land holdings commencing with focused drilling at the Jeff and TV targets to follow up on encouraging gold-silver mineralization, some high-grade, encountered by 18 of 20 holes completed in 2020.

On July 5, 2021, the Company announced that it had entered into a cost sharing agreement whereby Seabridge Gold ("Seabridge") and the Company will share the costs equally on construction of the first 9 kilometers of the Coulter Creek Access Road ("CCAR"), estimated to cost $12.0 million. To fund the Company's share of costs under the Cost Sharing Agreement, Seabridge had agreed to purchase a $6.0 million Convertible Debenture and 1,350,000 warrants from the Company. As at November 30, 2021 and the date of this report the parties have agreed to not finalize the 6% Convertible Debenture and related warrants as disclosed in the November 12th, 2021 press release.

On July 13, 2021, the Company announced that recent diamond core drilling at the Jeff target, one of multiple targets across its 100% owned Eskay-Corey precious metal-rich VMS project in the Golden Triangle, British Columbia, has encountered multiple intercepts of stockwork feeder mineralization similar to that encountered in drilling in 2020.

On July 20, 2021, the Company announced the completion of a National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") technical report dated July 16, 2021 with an effective date of June 8, 2021 and entitled "NI 43-101 Technical Report on the SIB-Corey-North Mitchell Property") the "Technical Report") in respect of its 100% owned Eskay-Corey precious metal VMS project in the Golden Triangle, British Columbia (the "Property").

On August 23, 2021, the Company provided an update on its 2021 drill program and an overview of its property wide SkyTEM results.

On September 1, 2021, the Company announced that its common shares have been approved for trading on the OTCQX® in the United States under the symbol "ESKYF".

On September 16, 2021, the Company announced that its exploration team has discovered two new potentially large VMS systems on its 100% owned Consolidated Eskay precious metal project in the Golden Triangle, British Columbia. The Company is also pleased to announce that its 2021 diamond drill program is steadily advancing with approximately 19,000m of a minimum 30,000m planned program now complete.

On October 13, 2021, the Company announced that it has concluded its 2021 diamond drill program at its 100% owned Consolidated Eskay precious metal project in the Golden Triangle, British Columbia. Recent drilling encountered massive sulfide mineralization atop the TV VMS system, demonstrates extensive sulfide mineralization occurs between TV and Jeff deposits, confirms that the highly prospective Upper Hazelton Group stratigraphy is present in close proximity to the C10 VMS system, and establishes that the newly discovered Vermillion deposit constitutes a major new VMS discovery.

On November 8, 2021, the Company announced that the first assay results from its 2021 diamond drill campaign at its 100% controlled Consolidated Eskay precious metal rich VMS project in British Columbia. Eskay encounters broad intercepts of precious metals rich stockwork feeder mineralization of TV. These first five holes indicate there is a large stockwork feeder under the upper massive sulfide deposit discovered late in the season.

On November 12, 2021, the company announced that further to the Joint News Release of Eskay Mining and Seabridge gold Inc. ("Seabridge"), issued on July 5, 2021, it has entered into an amended agreement whereby Seabridge and Eskay Mining have amended the terms of their original agreement to share equally the costs of construction of the first nine kilometers of the Coulter Creek Access Road ("CCAR"), estimated to cost $12.5 million. Under the terms of the amended agreement Eskay's contribution limit will be a maximum of $6,250,000, and Seabridge will provide Eskay with $3 million revolving loan facility to be repaid the later of December 31st, 2022 and 30 days after Eskay has incurred an aggregate of $6,250,000 of construction costs and final accounting supplied by Seabridge. Eskay will also issue 500,000 common share purchase warrants exercisable at $3.00 to Seabridge in consideration for making the loan facility available.

Events subsequent to November 30, 2021

On December 8, 2021, the Company announced its second tranche of assay results from its 2021 diamond drill campaign at its 100% controlled Consolidated Eskay precious metal rich VMS project in British Columbia. Eighteen holes from the Jeff deposit and twelve holes from the TV deposit, a total of thirty-five out of ninety-eight fully assayed holes were reported. The twelve holes present further evidence that the TV deposit is shaping up to be an extensive precious metal rich VMS system.

On January 19, 2022, the Company announced its third tranche of assay results from its 2021 diamond drill campaign at its 100% controlled Consolidated Eskay precious metal rich VMS project in British Columbia. Thirteen holes from the Jeff deposit and eight holes from the TV deposit, a total of fifty-six out of ninety-eight fully assayed holes were reported. The eight holes present further evidence that the TV deposit is a highly significant precious metal-rich VMS system.

Overall Objective

The primary business objective of Eskay is the acquisition, exploration and evaluation of mineral properties based upon Eskay's current holdings in British Columbia, Canada. In furtherance of this objective, the Company established the following business strategy:

- Develop and implement a discretionary exploration budget on its property interests with a view to establishing a viable mineral deposit; and
- Capitalize on management's technical expertise and ability to identify, evaluate, and acquire exploration properties.

See "Risks and Uncertainties" below.

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 favorable 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.

Off-Balance-Sheet Arrangements

As of the date of this Interim MD&A, the Company does not have any off-balance-sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company, including, and without limitation, such considerations as liquidity, capital expenditures and capital resources that would be material to investors.

Share Capital

As of the date of this Interim MD&A, the Company had 163,247,643 issued and outstanding common shares, 20,316,677 warrants and 14,095,000 stock options outstanding. Therefore, the Company had 197,659,320 common shares on a fully diluted basis.

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, 2021, the Company does not believe that there are any significant environmental obligations requiring material capital outlays in the immediate future.

Mineral Property Interests

Effective in Q1 2022, the Company has aggregated its mineral claims into one property called "ESKAY-Corey", due to its budgeting and business decision processes.

Technical information

Dr. Quinton Hennigh, P. Geo., a Director of the Company, and its technical advisor, 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 ESKAY-Corey Mineral Claims, and total estimated cost to complete each exploration program, and total expenditures incurred during the period presented rounded to the nearest thousandth.

Activities for the nine months ended November 30, 2021	Spent (approx.)	Planned Fiscal Expenditures February 28, 2022 (approx.)
TV/Jeff – Drilling/Camp/Geological costs	$ 8,885,000	$ 8,400,000
C10 – Drilling/Camp/Geological costs	2,110,000	2,500,000
Vermilion– Drilling/Camp/Geological costs	625,000	555,000
GFJ renamed Vermillion (Red Lightning in Vermillion)	-	-
Scarlett Ridge	80,000	-
Skytem – Geophysical costs	1,380,000	1,200,000
Note 1	**$ 13,080,000**	**$ 12,655,000**

Based on the Company’s working capital surplus of $7,328,459 on November 30, 2021 (February 28, 2021 – working capital surplus of $10,546,684), and anticipated exercise of warrants and options during the fiscal period the Company anticipates it will have sufficient funds for its exploration work requirements.

TV-Jeff VMS System

The 2020 SkyTEM survey showed a correlation between conductivity anomalies and known mineralization (Fig. 1); and identified additional anomalies along trend with mineralization between TV and Jeff, suggesting the possibility TV and Jeff are components of a larger VMS system. The 2021 drill program tested several of these conductivity anomalies. At Jeff anomalies 10, 11, 12, and 13 were drilled. These anomalies have a stratiform morphology, distinct from the lumpy discreet anomalies surrounding TV. At TV anomalies 4 and 7 were drilled, with drill pads constructed on anomalies 2, 6, and 9. Heavy snow ended drilling in early October before anomalies 2, 6, and 9 could be drilled.

The hypotheses going into 2021 were that the stratiform anomalies near Jeff represented graphitic mudstone horizons that could be used to correlate stratigraphy along strike, and that the lumpy anomalies were more likely to be caused by the presence of sulfide minerals. Drilling at Jeff confirmed that the stratiform conductivity anomalies are caused graphitic mudstone, and that these anomalies represent true stratigraphic features that can be used to locate favorable stratigraphy for mineralization. The two lumpy anomalies drilled at TV both intercepted sulfide mineralization. TV21-78 tested anomaly 4 and intercepted the newly discovered Au-Ag-bearing Upper Massive Sulfide Horizon. TV21-81 tested anomaly 7, and intercepted ~92 m of stockwork sulfide mineralization in a bleached andesite breccia.

The 2021 drill program added further evidence supporting the interpretation that TV and Jeff are components of a larger VMS hydrothermal system, likely focused near TV. Examination of drill core has allowed for correlation of stratigraphy between TV and Jeff, the identification of distinct zones of stratigraphy-controlled mineralization (Fig. 2), and unequivocal evidence of syn-volcanic feeder structures was found at both TV and Jeff. Evidence for the presence of syn-volcanic VMS feeder structures includes:

1) Corridors of intense hydrothermal alteration that cuts stratigraphy and are spatially associated with mineralization.

2) The presence of dacite flows and peperite indicates close proximity to a syn-volcanic feeder structure. Dacite is a high viscosity lava, as such it does not travel far from the syn-volcanic feeder structure during an eruption.

3) At TV the presence of gabbro dikes and sills along the south side of the corridor of mineralization and alteration indicates that the same structure that fed the dacite and VMS hydrothermal system also fed the gabbro intrusions. The presence of gabbro is consistent with proximity to a rapidly extending back-arc rift structure.

4) Poorly-sorted coarse grained sedimentary rocks including conglomerate, and submarine debris flow breccia are closely associated with mineralized horizons, and indicate a paleoenvironment in close proximity to a fault escarpment. Conglomerate and debris flow breccia are associated with other precious metal VMS deposits (e.g., the Timiskaming Group in the Abitibi Greenstone Belt).

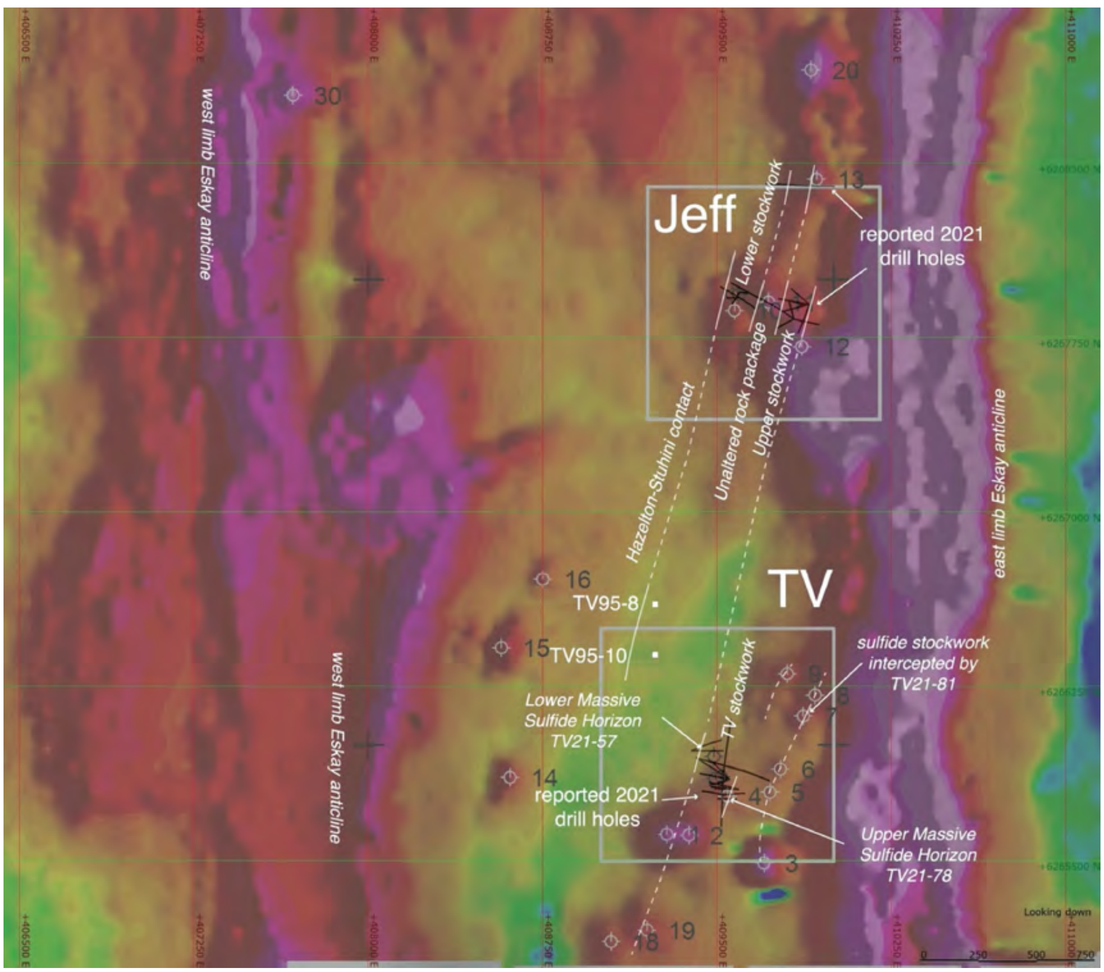

Figure 1. Close-up view of 2020 SkyTEM survey showing conductivity anomalies on trend with mineralized horizons identified during the 2020 and 2021 drill programs.

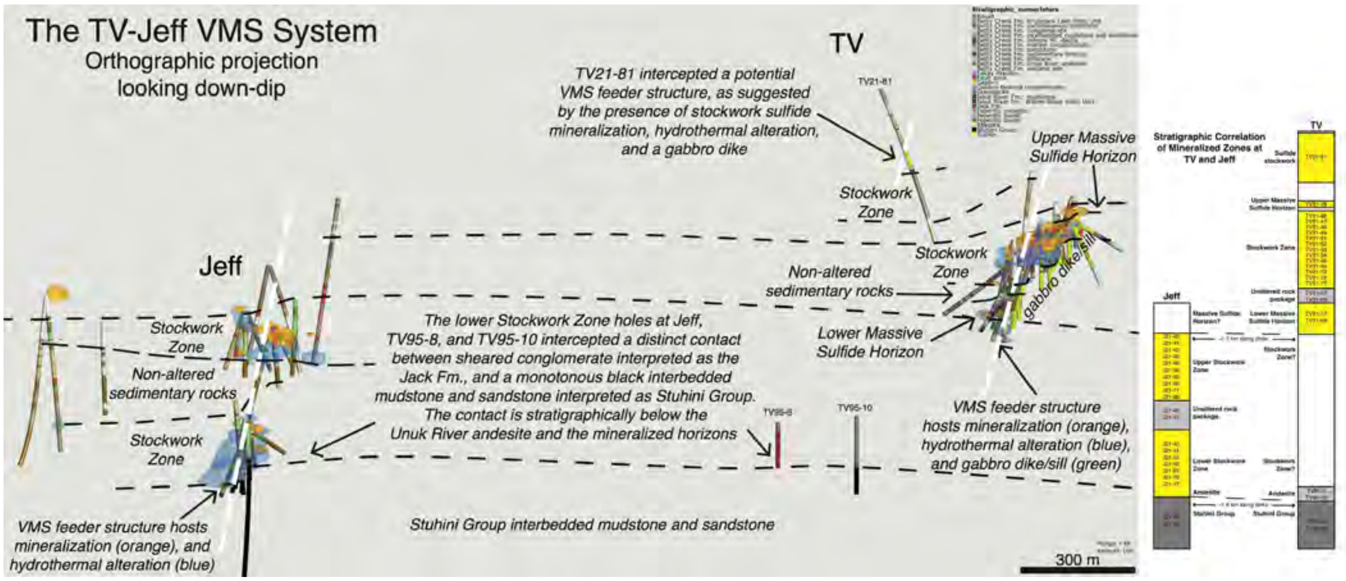

Figure 2. A long section of the TV-Jeff VMS system looking down dip. Careful investigations have correlated the stratigraphy between TV and Jeff, showing that the two stockwork zones at Jeff are stratigraphically below the Lower Massive Sulfide Horizon at TV. This opens up the possibility for additional stockwork mineralization below the Lower Massive Sulfide Horizon at TV, it is possible that Au values reported herein for the bottom of TV21-69 represent such stockwork mineralization. It is also possible that additional VMS mineralization occurs up-section from Jeff, at a position that correlates with the mineralized horizons at TV.

Jeff

Drilling at Jeff focused on expanding the footprint of known mineralization, drilling the SkyTEM and IP anomalies to the north, and testing for mineralization up-stratigraphic section.

Several drill holes up-section from the upper Stockwork Zone at Jeff showed appreciable sulfide mineralization in peperitic basalt in a carbonaceous mudstone host. This suggests that the Jeff VMS system continues up-stratigraphy from mineralization identified in 2020.

Drilling of the upper Stockwork Zone at Jeff expanded the footprint of known sulfide mineralization (Figs. 3 and 4), but also showed that Au-Ag mineralization and hydrothermal alteration die out to the north. Replacement-style sulfide mineralization is hosted by basaltic and dacitic peperite, and is closely associated with a corridor of hydrothermal alteration (Fig. 2). Stratigraphic and chemostratigraphic investigations of drill core show that the Upper Stockwork Zone at Jeff correlates with a stratigraphic position immediately below the Lower Massive Sulfide Zone at TV (Fig. 2).

Drilling of the lower Stockwork Zone at Jeff showed laterally continuous semi-massive to massive sulfide mineralization on the order of 50 m true thickness and extending down dip at least 100 m (Figs. 3 and 4). The Stockwork Zones at Jeff are characterized by a broad halo of weak-moderate sulfide and Au-Ag mineralization surrounding pods of high-grade Au-Ag mineralization.

Drilling to the north of Jeff targeted stratiform SkyTEM and IP anomalies that were in proximity to historic auriferous drill holes. These drill holes encountered thick sequences of marine-deposited volcanic ash, carbonaceous mudstone, and sandstone. TV21-51 intercepted two 20-40 m intervals of moderately altered peperitic basalt with weak polymetallic sulfide mineralization that correlate with the stockwork horizons at Jeff over 400 m to the south. This shows that the hydrothermal system continues but weakens to the north of Jeff.

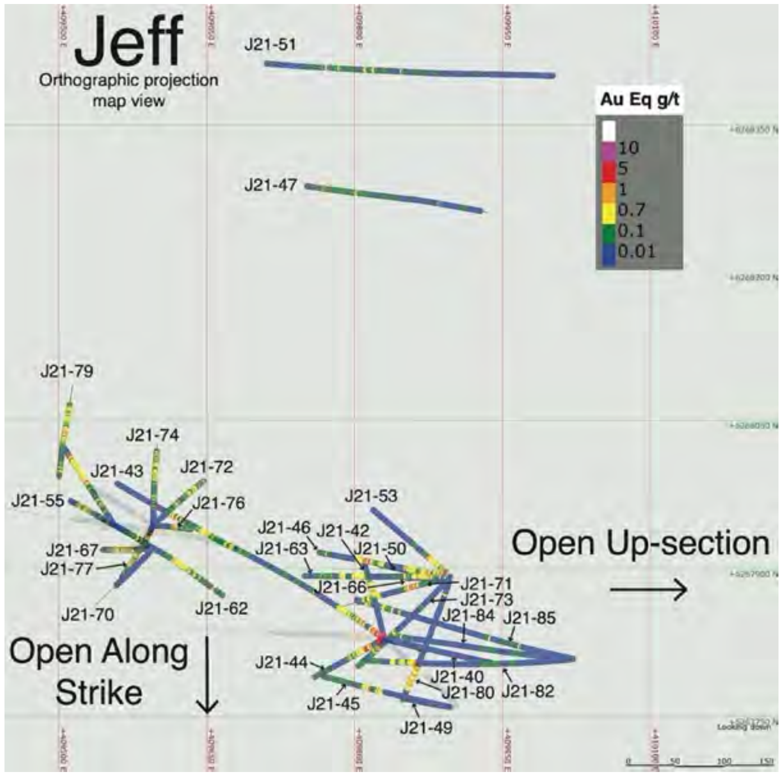

Figure 3. Map view of reported 2021 drill hole assays from Jeff. Results are given in Au equivalent, with 2020 drill holes shown in transparency. Drilling at Jeff shows a mineralization style characterized by high-grade pods surrounded by broad halos of 0.1-0.7 g/t Au equivalent, both are hosted within sulfide stockwork. Drilling to the north of Jeff (J21-47 and J21-51) shows that the TV-Jeff VMS hydrothermal system occurred at least as far north as J21-51, where the two Jeff horizons are weakly mineralized and strongly altered.

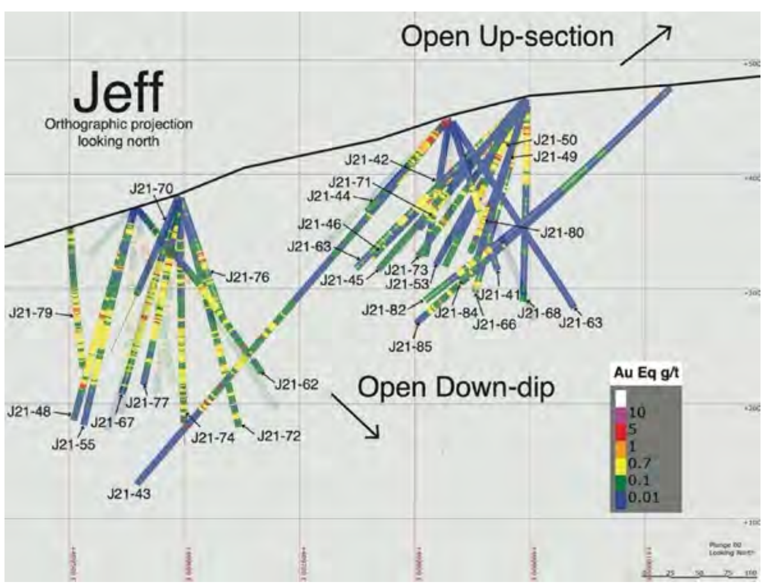

Figure 4. Cross-section view looking north of reported 2021 drill hole assays for Jeff (J21-47, and J21-51 are out of section). Results are given in Au equivalent, with 2020 drill holes shown in transparency. The broad zones of mineralization are open down-dip. There is the potential for additional mineralized horizons up-section in rocks that correlate with mineralized zones at TV.

TV

Drilling at TV (Figs. 5 and 6) focused on expanding the footprint of known mineralization, identifying mineralized zones over ~600 vertical meters of stratigraphy, and testing discrete SkyTEM anomalies of a distinct morphology than those north of Jeff.

TV hosts two distinct paleo-seafloor horizons that host volcanogenic massive sulfide: the Lower Massive Sulfide Horizon, and the Upper Massive Sulfide Horizon (Fig. 2). A laterally continuous zone of stockwork Au-Ag mineralization underlying the Upper Massive Sulfide Horizon represents the hydrothermal feeder system for VMS activity on the paleo-seafloor. The Stockwork Zone is intensely hydrothermally altered, with intense silicification approaching the paleo-seafloor horizon. This is consistent with a location near the core of a syn-volcanic VMS feeder structure.

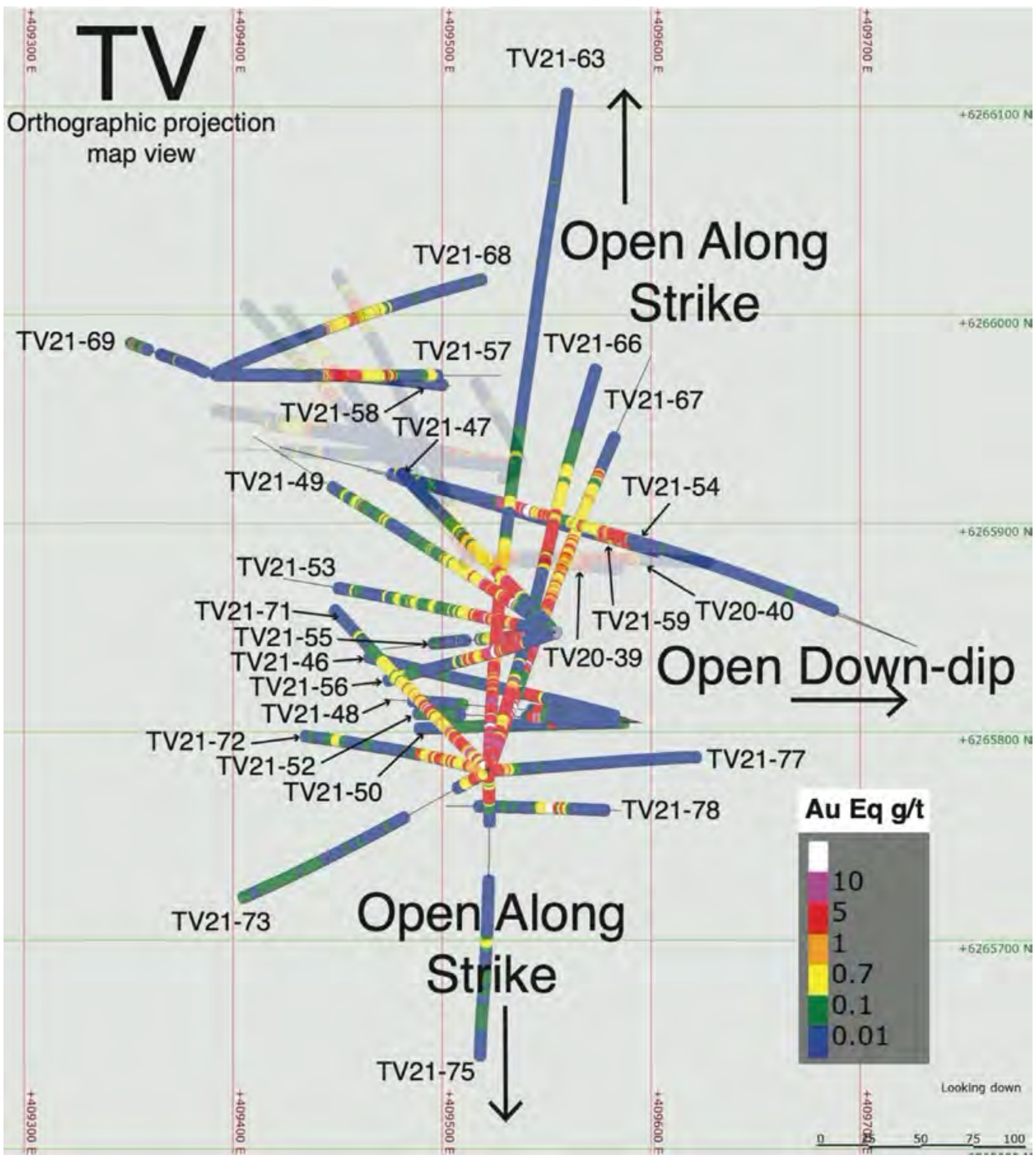

Figure 5. Map view of reported 2021 drill hole assays at TV. Results are given in Au equivalent, with 2020 drill holes shown in transparency. Mineralization remains open along strike and down-dip after the 2021 drill program.

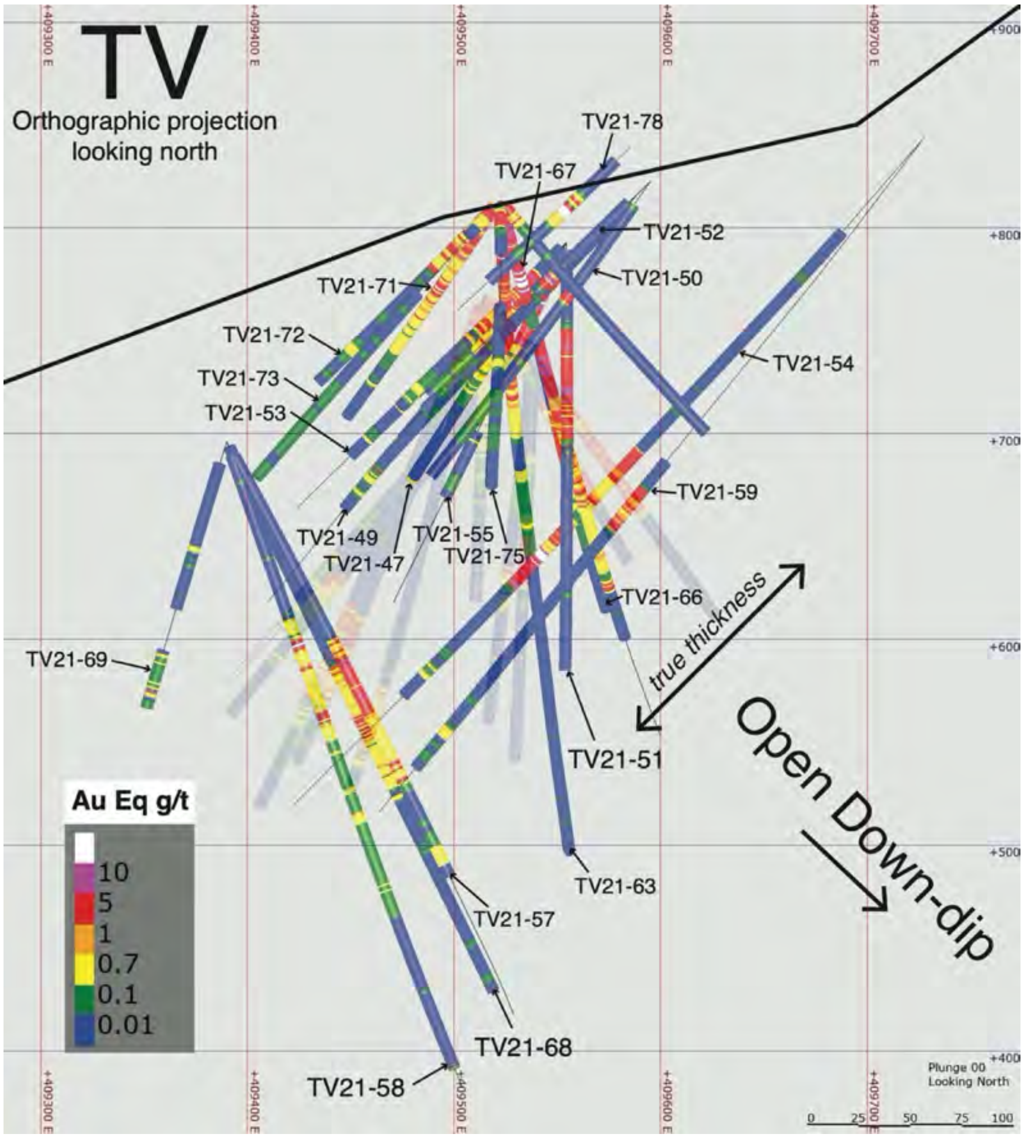

Figure 6. Cross-section looking north of reported 2021 drill hole assays at TV. Results are given in Au equivalent, with 2020 drill holes shown in transparency. Gold and silver mineralization intercepts the surface and continues down-dip where it improves in grade and continuity. Mineralization remains open along strike and down-dip after the 2021 drill program.

A closer examination of the Upper Massive Sulfide (Fig. 7) shows that the sulfide minerals consist of clastic pyrite infilled by replacement-style pyrrhotite, sphalerite, and pyrargyrite (see photos below). Preliminary drilling of this newly discovered sulfide body shows that it continues down-dip at least 25 m, and along strike ~50 m. This sulfide body corresponds with a discrete SkyTEM anomaly, and the broader IP chargeability anomaly that encompasses the Upper Zone at TV. Further drilling of this massive sulfide body will be a component of the 2022 program.

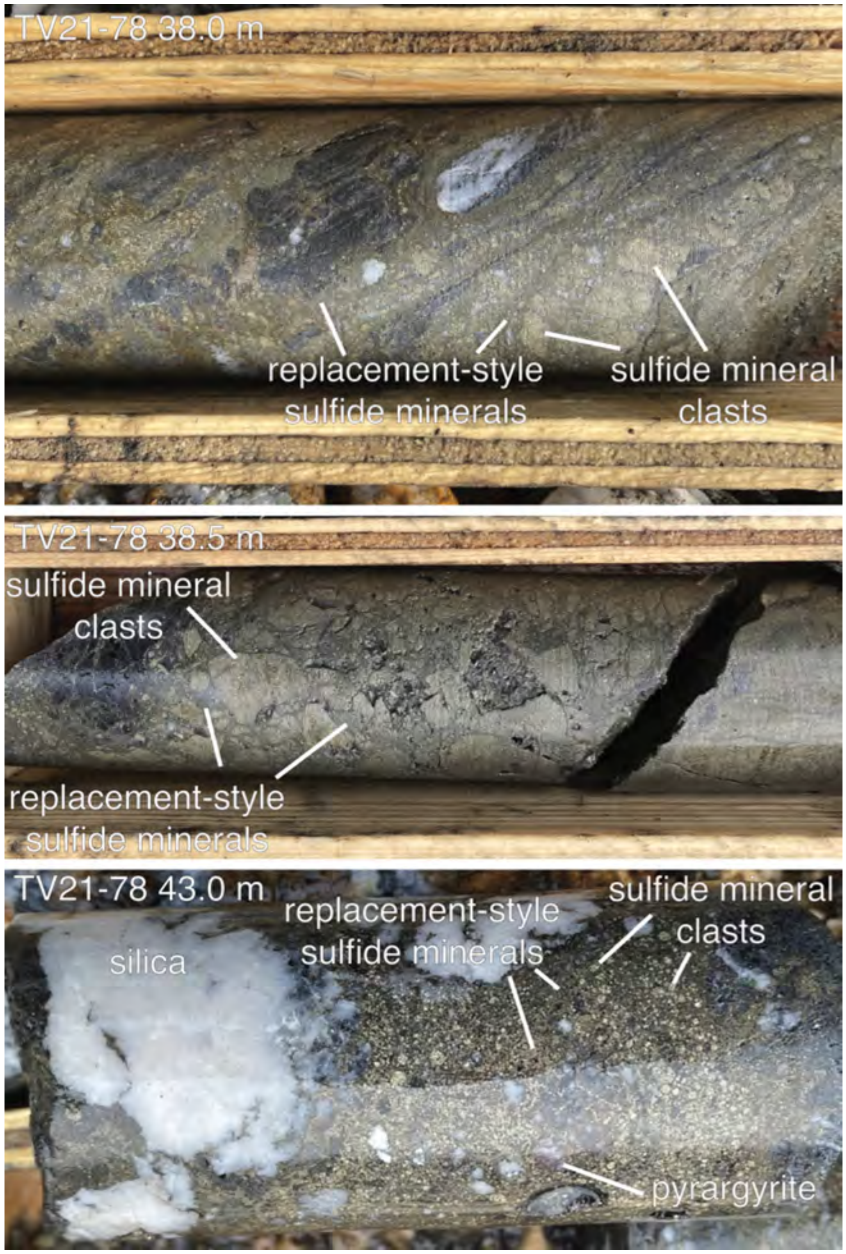

Figure 7. TV Upper Zone massive sulfide mineralization intercepted by TV21-78, showing clastic sulfide minerals with replacement-style sulfide mineralization between clasts.

The largest mineralized zone drilled at TV is the Stockwork Zone (Fig. 8) below the Upper Massive Sulfide. The Stockwork Zone is characterized by sulfide and Ag-sulfosalt minerals filling fractures in silicified mudstone and dacite breccia. Hydrothermal alteration is consistently intense, and mineralization ranges from veinlets to semi-massive. The Stockwork Zone intercepts the surface, expanding and becoming more continuous down dip. True thickness of the Stockwork Zone ranges between 50-90 m. The Stockwork Zone remains open along strike and down-dip.

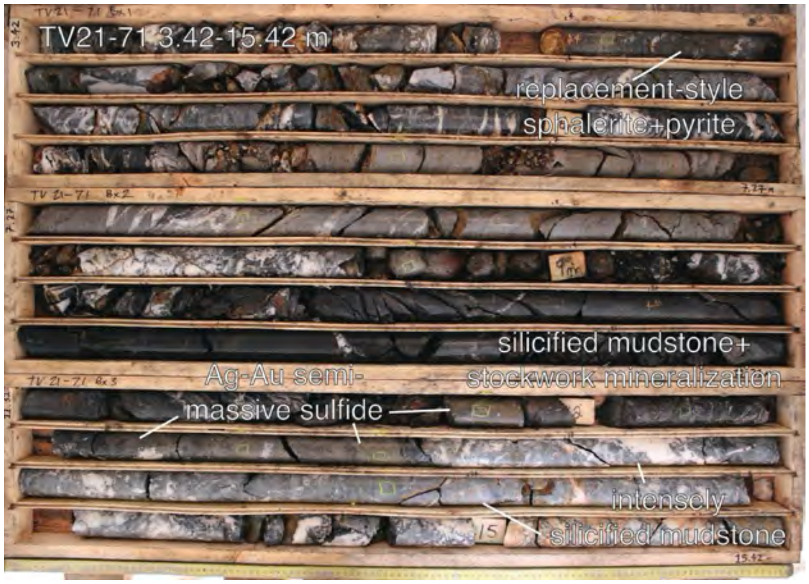

Figure 8. Stockwork sulfide mineralization intercepted at surface by TV21-71. Mineralization is replacement-style to semi-massive and is hosted by intensely silicified mudstone. These features suggest TV21-71 is collared in close proximity to the base of the Upper Massive Sulfide Horizon.

Mineralization in the Lower Massive Sulfide Zone at TV was discovered by the 2020 drill program. The 2021 drill program explored this area further and has shown that massive sulfides bodies extend down-dip and along strike from previously known mineralization. Drill hole TV21-57 intercepted ~40 m of semi-massive to massive sulfide mineralization extending down dip along the mineralized horizon (Fig. 9).

Drill hole TV21-81 tested another discrete SkyTEM anomaly coincident with an IP chargeability anomaly ~300 m north of known mineralization at TV. A strongly mineralized dacite breccia was intercepted from 242-328 m. Sulfide minerals are dominantly pyrite and sphalerite. TV21-81 shows that: 1) the both discrete SkyTEM anomaly tested are mineralized, 2) mineralization continues up-stratigraphy from known mineralization at TV, and 3) mineralization extends 300 m closer to Jeff than previously known. These observations support the possibility that TV and Jeff are one VMS system, and that hydrothermal activity was sustained over a long time period producing multiple mineralized horizons.

Figure 9. TV Lower Zone massive sulfide mineralization intercepted by TV21-57.

Vermillion (formerly GFJ)

Planning for the 2021 Vermillion drill program initially targeted IP chargeability anomalies identified by the 2020 IP survey. A field excursion in early September discovered outcropping massive polymetallic sulfide mineralization. Examination of a cut and polished sample (Fig. 10) shows numerous coarse pyrite grains overgrown by arsenopyrite within a groundmass of sphalerite and galena. Subordinate amounts of Ag-sulfosalt minerals and chalcopyrite are present as well. XRF analysis supports the mineralogy described above, with very high As, Zn, Cu, Sb, and Ag values.

The drill plan was modified to target the ground close to the sulfide outcrop. Drill holes V21-1, 2, and 3 intercepted long (~100 m) intervals of weak to moderate sphalerite, pyrite, pyrrhotite, and chalcopyrite mineralization (see photo below). Sulfide contents ranged from 1-30% in drill core. Core logging shows that V21-1,2, and 3 intercepted massive to peperitic dacite in the upper 86 m, and is dominantly andesitic below this, with thin gabbro sills intercepted below 255 m.

Drilling of V21-4 targeted one of the IP chargeability anomalies identified in 2020. This drill hole exhibited very similar mineralization in intensely sheared dacite to andesite breccia and peperite. All Vermillion drill holes exhibit moderate to intense chloritization (also evident on the surface), and intense carbonate alteration (distinct from metamorphic carbonate veins).

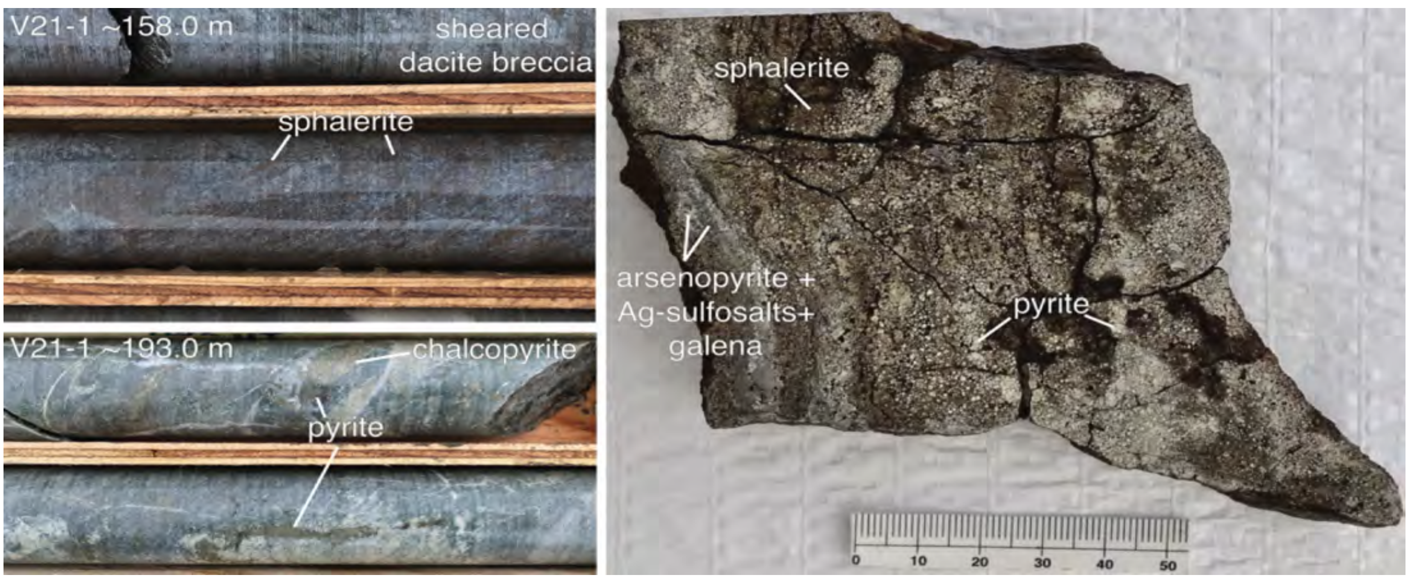

Figure 10. Representative polymetallic sulfide mineralization at Vermillion. Right: Sulfide mineralization intercepted by V21-1. Left: Cut and polished sample of massive sulfide found in outcrop.

The 2021 SkyTEM survey identified a northeast-trending sinistral fault structure cutting rocks near Vermillion, Red Lightning, and Spearhead (Fig. 11). We're interpreting this as a syn-volcanic feeder structure that has been reactivated as a sinistral strike slip fault that cuts into the west limb of the Eastern anticline. This interpretation is supported by:

1) The presence of three prospects (Vermillion, Red Lightning, and Spearhead) along this fault, two of which (Vermillion and Spearhead) have outcropping massive sulfide. A 29.28 ppb Au BLEG anomaly coincides with another geophysics indicated sinistral fault NE of Spearhead.

2) The presence of gabbro sills at Vermillion and Red Lightning that were likely fed by this structure, as is the case at TV. It's possible that the magmatic Ni-Cu deposit at Red Lightning was formed when intruding mafic magma scavenged pre-existing VMS-derived sulfide, and concentrated the sulfide by means of silicate-sulfide immiscibility within the melt upon crystallization of the magma.

3) A corridor of moderate to intense hydrothermal alteration observed on the surface and in drill core near the fault.

This interpretation fits well with the data in hand, and explains why deposits, Au anomalism, and alteration are located where they are. The trend from HSOV to Big Red is very prospective as indicated by the 2020 BLEG survey, and historic auriferous surface samples. Exploration of this structure, and the trend of very strong BLEG anomalies will continue in 2022.

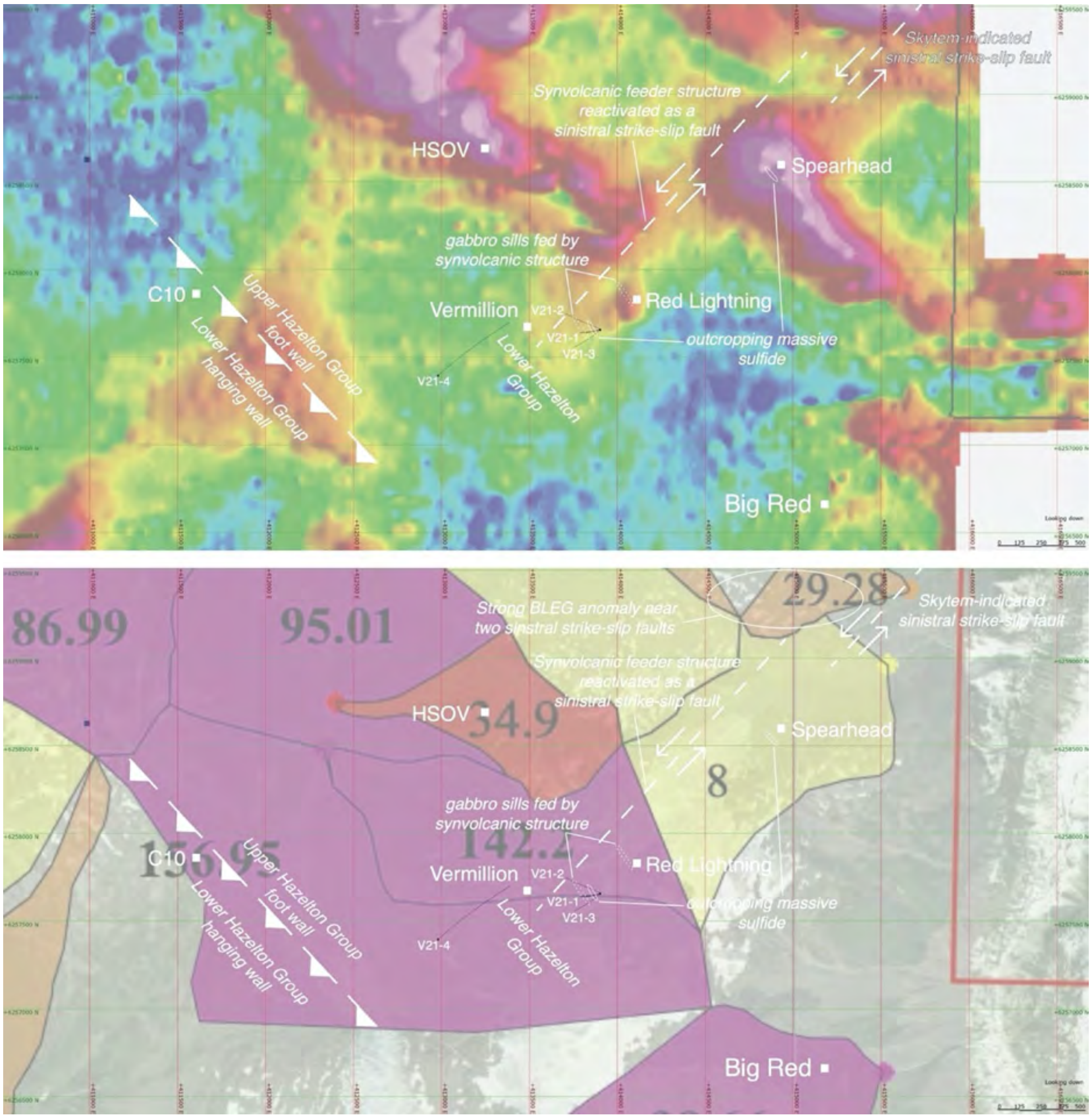

Figure 11. SkyTEM conductivity and BLEG maps with interpreted geologic structures identified during the 2021 program. The prominent sinistral structures identified with SkyTEM correspond with Spearhead, Red Lightning, Vermillion, and a 29.28 ppb Au BLEG anomaly.

C10

Drill holes C21-1,2,3, and 4 were drilled to validate the historic 100 g/t Au intercepts from the 2005 drill program, and to determine the lateral extent of Au mineralization in the vicinity. These drill holes intercepted abundant recrystallized sulfide mineralization similar in appearance to auriferous intercepts from the 2005 drill program (Fig. 12). The mineralization is hosted by dacite and andesite of the Betty Creek Fm., likely at the same stratigraphic level as Jeff.

Figure 12. Sulfide mineralization hosted by intensely sheared peperitic dacite. Sulfide minerals have been recrystallized and formed banded aggregates of ~1mm pyrite crystals.

Drill hole C21-5 tested to ~500 m to south along strike from C21-4, targeting an IP chargeability anomaly. While C21-5 did not encounter appreciable sulfide mineralization, it did intercept Upper Hazelton Group stratigraphy consisting of the Willow Ridge mafic unit and the Eskay Rhyolite. The attitude of the stratigraphy confirms that C10 is on the east limb of the Eskay anticline as hypothesized. This shows that the world-famous mineralized horizon at Eskay Creek is present on the east limb of the Eskay anticline approximately 20 km to the south of Eskay Creek. The rhyolite is carbonaceous in places, and there are intervals of carbonaceous mudstone, these likely account for the IP anomaly. Drilling of C21-6 and C21-7 confirm that this contact extends northwards closer to known mineralization at C10.

The intensely sheared and brecciated Lower Hazelton Group rocks intercepted by C21-1, 2, 3, and 4 are juxtaposed on top of Upper Hazelton Group rocks intercepted by C21-5, 6, and 7. This is consistent with a west-dipping thrust fault comprising a Lower Hazelton Group hanging wall, and an Upper Hazelton Group footwall.

Scarlet Ridge

The Scarlet Ridge showing lies at the heart of a cluster of strong BLEG anomalies on the property, along the east limb of the eastern anticline. Scarlet Ridge consists of a gossanous bluff composed of rhyolite breccia with numerous sulfide stringers that extends ~1.5 km along strike, and a complex of gossanous mudstone-hosted peperitic rhyolite sills in the valley to the east paralleling the bluffs. The rhyolite sill complex is distinctly peperitic, and riddled with pyrite stringers becoming semi-massive to massive in spots (Fig. 13). Historic exploration further to the south along the same trend shows numerous good Au grades in surface samples, and a group of 17 drill holes that intercepted Au mineralization grading up to 3.7 g/t.

Soil sampling above and below the gossanous bluffs was completed, and rock samples were collected for assaying sulfide mineralization and lithogeochemical confirmation of the presence of rhyolite as the host rock.

The Scarlet Ridge area will be a significant focus for the 2022 program.

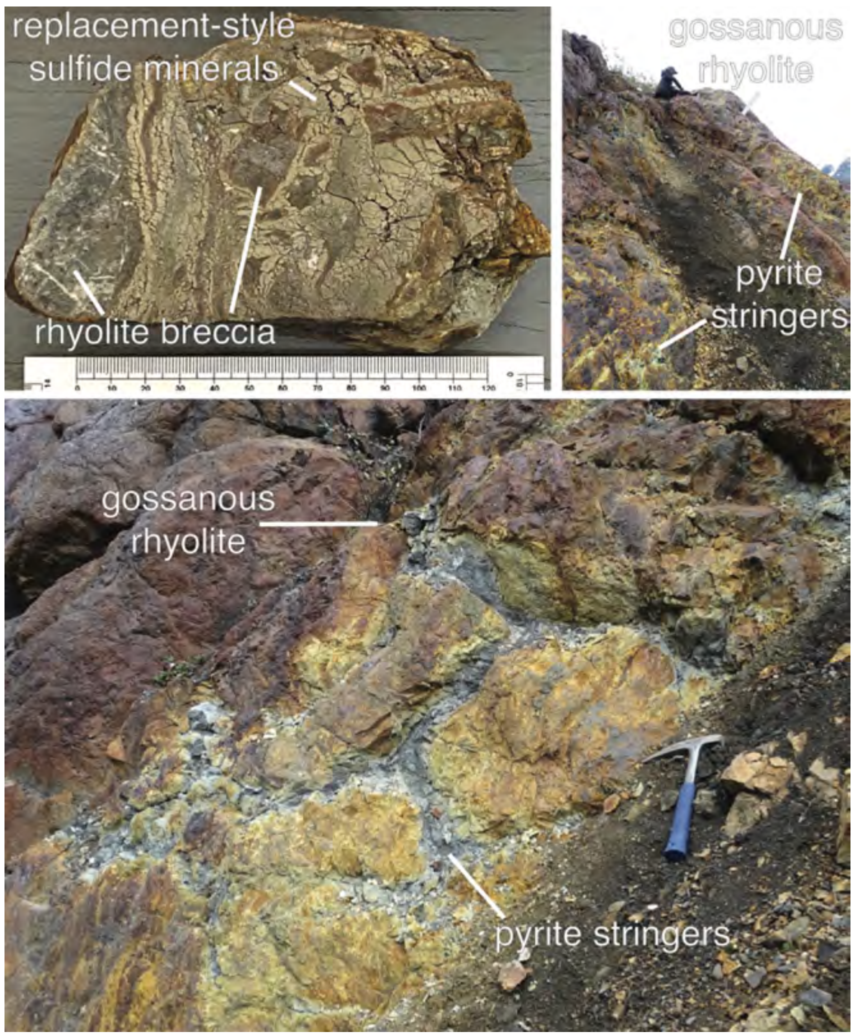

Figure 13. Rhyolite-hosted sulfide mineralization at Scarlet Ridge.

Property-wide SkyTEM Survey

A property-wide SkyTEM survey was conducted as part of the 2021 program. Results from this survey (Fig. 14) highlight conductive lithologies including carbonaceous mudstone and sulfide-bearing rocks. Geological structures such as the Eastern and Eskay anticline are well-delineated, the sinistral transform fault near Vermillion offsets conductive lithologies, and the high conductivity of the graphitic mudstone-hosted thrust faults separating the Eskay and Eastern anticlines is distinct. The TV and Jeff VMS System is characterized by conductive protuberances from the east limb in towards the hinge of the Eskay anticline. The Property-wide SkyTEM survey is being used to refine the geological model, and to assist with identification of drill targets.

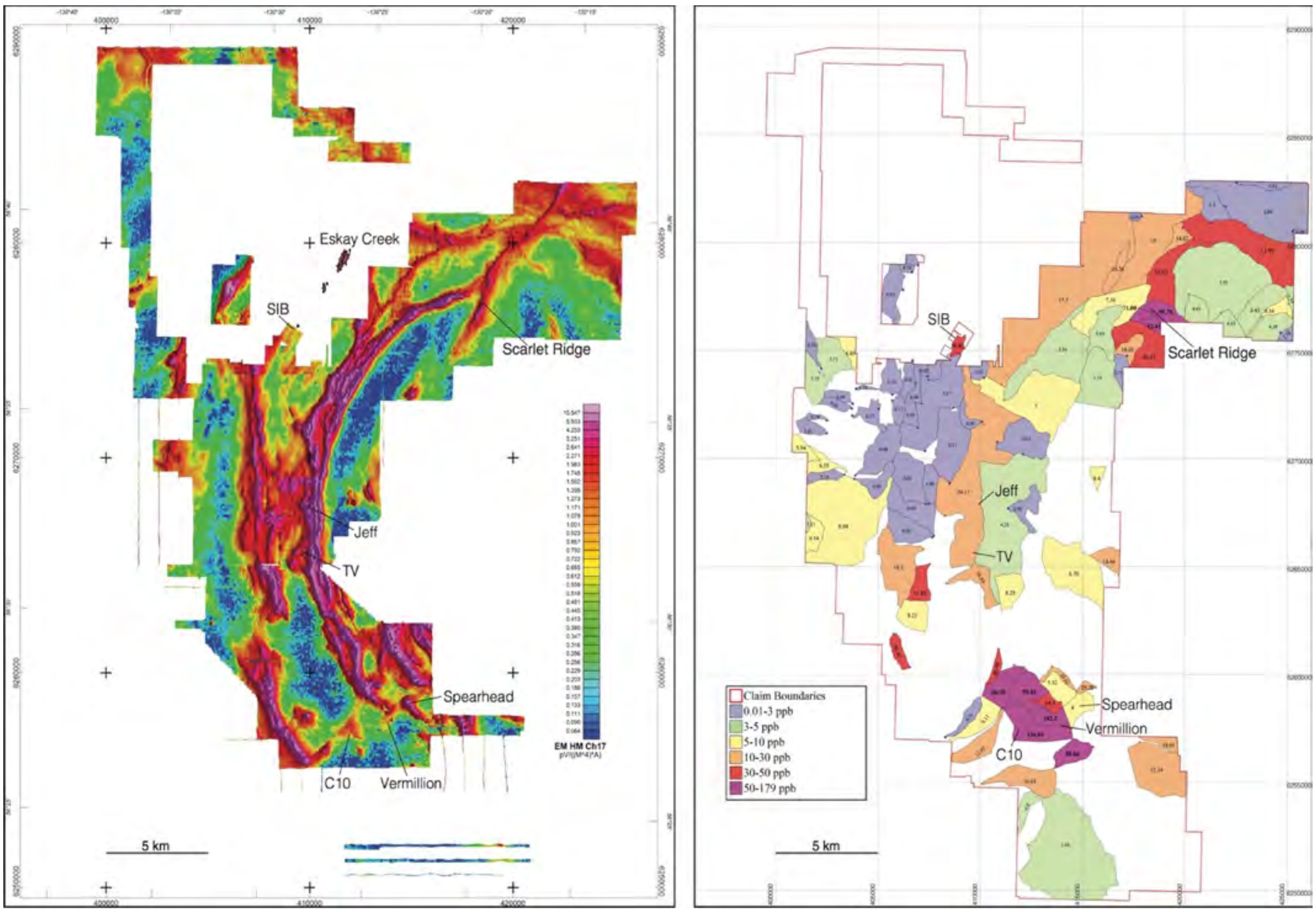

Figure 14. Results of the Property-wide SkyTEM survey (left), and the 2020 BLEG survey (right). The limbs of the Eskay and Eastern anticlines are delineated by high-conductivity lithologies, particularly where the anticlines are in thrust fault contact. The sinistral structure near Vermillion is readily identified by offset conductive lithologies. The TV and Jeff VMS System is characterized by conductive protuberances from the east limb in towards the hinge of the Eskay anticline. Similar anomalies are present on the western limb of the Eskay anticline.

Plans for the Project (Fiscal 2022):

Geological investigations conducted in 2020 were instrumental in developing a property-wide geological model to guide exploration for Au-Ag-bearing VMS deposits. We have identified six favorable horizons for mineralization: 1) Contact mudstone, 2) Eskay rhyolite peperite, 3) Bruce Glacier felsic unit peperite, 4) the Spatsizi Formation, 5) Brucejack Lake felsic unit peperite, and 6) Johnny Mt. dacite peperite. All of these horizons exhibit sub-seafloor replacement-style mineralization except the Spatsizi Formation which hosts stringer-style mineralization. These horizons are widely distributed across the Company's property and are hosted by three anticlines (Western, Eskay, and Eastern anticlines) that comprise a fold-thrust ramp complex. This structural model is consistent with geological observations and explains the spatial distribution of Au-Ag-bearing VMS deposits and Au anomalies detected by the 2020 BLEG survey on the property. The presence of six favorable horizons for VMS mineralization occurring on three anticlines opens up the entire property to exploration.

In 2021 the Company drilled 23,500 meters focusing on expanding the footprint of mineralization at ESKAY-Corey. Following up on the success of the SkyTEM survey, a property-wide SkyTEM survey was completed. These surveys will assist with geologic mapping and improve drill targeting. Field reconnaissance was performed on Au anomalies identified by the 2020 BLEG program in order to narrow down the sources of Au within prospective drainage basins. The geological models developed in 2020 were supported further by drilling and field investigations in 2021, showing that the Company has developed a predictive model for VMS exploration on the Property.

The plan for the 2022 Exploration Program has been developed, and work is progressing towards an early-June start date for drilling.

Most of the Company's tenures are in good standing until June 2029 with 5 tenures in good standing until at least June 22, 2024.

Deposits and Exploration Advances

As at November 30, 2021, the Company had $72,870 (February 28, 2021 - $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, 2021, Compared with Three Months Ended November 30, 2020

Eskay's net loss totaled $6,636,905, for the three months ended November 30, 2021, with basic and diluted loss per share of $0.04. This compares with a net loss of $1,042,824 with basic and diluted loss per share of $0.01 for the three months ended November 30, 2020. The increase of $5,594,081 was principally because:

- During the three months ended November 30, 2021, exploration and evaluation expenditures increased by $3,182,329 compared to the three months ended November 30, 2020. See "Mineral Properties Interests" section above for a description of activities.
- The flow-through share liability recovery increased to $1,242,266 for the three months ended November 30, 2021, compared to $408,415 for the three months ended November 30, 2020. Flow-through share liability recovery will vary from period to period depending upon qualifying expenditures on exploration properties.
- During the three months ended November 30, 2021, the Company incurred a loss on fair value adjustments on investments of $3,081,480, compared to $nil for the comparative period. The fair value of investments is will vary from period to period depending upon underlying share price of GGI.

- During the three months ended November 30, 2021 share-based payments increased by $77,071, compared to the three months ended November 30, 2020. 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.
- During the three months ended November 30, 2021, management and consulting fees increased by $41,500 compared to $nil for the three months ended November 30, 2020 due to renegotiated management contracts, and increased time spent managing the exploration properties.

Nine Months Ended November 30, 2021, Compared with Nine Months Ended November 30, 2020

Eskay's net loss totaled $15,974,115, for the nine months ended November 30, 2021, with basic and diluted loss per share of $0.10. This compares with a net loss of $3,638,600 with basic and diluted loss per share of $0.03 for the nine months ended November 30, 2020. The increase of $12,335,515 was principally because:

- During the nine months ended November 30, 2021, exploration and evaluation expenditures increased by $9,473,871 compared to the nine months ended November 30, 2020. See "Mineral Properties Interests" section above for a description of activities.
- The increase in flow-through share liability recovery of $3,857,983 for the nine months ended November 30, 2021, compared to $1,060,456 for the nine months ended November 30, 2020. Flow-through share liability recovery will vary from period to period depending upon qualifying expenditures on exploration properties.
- During the nine months ended November 30, 2021, the Company had a loss on fair value adjustments on investments of $5,330,153, compared to $nil for the comparative period. The fair value of investments is will vary from period to period depending upon underlying share price of GGI. Subsequent to November 30, 2021, the share price for GGI has increased from $0.23 to $0.35.
- During the nine months ended November 30, 2021 share-based payments increased by $77,071, compared to the three months ended November 30, 2020. 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.
- During the nine months ended November 30, 2021, management and consulting fees increased by $142,274 compared to the nine months ended November 30, 2020 due to renegotiated management contracts, and increased time spent managing the exploration properties.

Cash Flow

At November 30, 2021, the Company had cash of $1,545,611 compared to $14,473,006 at February 28, 2021. The increase in cash of $12,927,395 was as a result of cash outflow in operating activities of $14,226,098, cash outflow in operating activities of $1,635, and a cash inflow from financing activities of $1,300,338.

Cash inflow from financing activities of $1,300,338 was due to proceeds from the exercise of stock options of $28,000 and proceeds from the exercise of warrants of $1,272,338.

Cash outflow from financing activities was due to purchase of equipment of $1,635.

Operating activities were affected by net loss of $15,974,115, non-cash adjustments of $2,147,356, and non-cash working capital items of $399,339. Non-cash adjustments consisted of share-based payments of $662,047, amortization of $11,882, accretion of $1,257, unrealized loss on fair value adjustment on investment of $5,330,153, and was offset by flow through share liability recovery of $3,857,983. Non-cash working capital balances consisted of an increase in amounts receivable of $539,472, and was offset by a decrease in prepaid expenses and other deposits of $768,428, a decrease in accounts payable and other liabilities of $541,655 and a decrease in amounts due to related parties of $86,640.

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 and convertible debenture notes. 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, 2021, the Company had a working capital surplus of $7,328,459 (February 28, 2021 – working capital surplus of $10,546,684).

As at November 30, 2021, 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 flow-through agreements require the Company to renounce certain tax deductions for Canadian exploration expenditures incurred on the Company's mineral properties to flow-through participants. The Company has raised $17,246,685 through the issuance of flow-through shares, and is obligated to incur qualifying flow-through expenditures under the flow-through funding agreement by December 31, 2022. As at November 30, 2021, the Company has spent $16,675,779 as part of the flow-through funding agreement.

The Company entered into a cost sharing agreement with Seabridge whereby Seabridge and the Company will share the costs on construction of the first 9 kilometers of the CCAR, estimated to cost $12.5 million. Pursuant to the Amended Cost Sharing Agreement, Seabridge will provide Eskay with a $3 million revolving loan facility at an interest rate of 3% per year to provide Eskay flexibility with funding its share of the costs of construction. The loan will be payable by no later than the later of December 31, 2022 and 30 days after (i) Eskay has incurred an aggregate of $6,250,000 for its share of the costs of construction and (ii) delivery of the final accounting of construction costs by Seabridge. The costs incurred to date for the construction of the First Segment of the CCAR are anticipated to be approximately $5.5 million, Eskay's share of which will be funded through the drawdown of approximately $2.7 million of the loan facility. Construction will recommence in calendar 2022 and Eskay will pay its additional share of the costs of the First Segment of the CCAR based upon monthly cash calls which are anticipated to be evenly spread over the remainder of the construction to be completed in calendar 2022. Eskay has agreed to issue 500,000 common share purchase warrants exercisable at $3.00 to Seabridge in consideration for making the loan facility available.

The Company's use of cash at present, and in the future will occur, principally in two areas, namely, funding of its general and administrative expenditures and funding of its exploration on its mineral properties. For fiscal 2022, the Company's expected administration and operating expenses are estimated to be $90,000 per month. The Company will continue to evaluate its exploration projects and is currently estimates its exploration budget to be $12,655,000.

Based on the Company's working capital surplus of $7,328,459 on November 30, 2021 (February 28, 2021 – working capital surplus of $10,546,684), and anticipated exercise of warrants and options during the fiscal period the Company anticipates it will have sufficient funds for its operating and exploration work requirements. There may be circumstances, where for business reasons, a reallocation of funds may be necessary in order for the Company to maintain its operations. See "Risks and Uncertainties" below.

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, 2021 $	Three Months Ended November 30, 2020 $	Nine Months Ended November 30, 2021 $	Nine Months Ended November 30, 2020 $
Robert Myhill	30,000	3,750	62,700	11,250
Quinton Hennigh	-	-	52,407	-
Gordon McMehen	-	3,750	-	11,250
Hugh M. Balkam (1)	9,000	9,000	27,000	27,000
Balkam Partners Ltd. (2)	46,000	27,000	130,657	81,000
Marrelli Support Services Inc. (3)	5,610	5,610	16,830	16,830
Total	**90,610**	**49,110**	**289,594**	**147,330**

Professional Fees	Three Months Ended November 30, 2021 $	Three Months Ended November 30, 2020 $	Nine Months Ended November 30, 2021 $	Nine Months Ended November 30, 2020 $
Marrelli Support Services Inc. (4)	6,296	6,643	20,296	19,248
Gardiner Roberts LLP (6)	43,186	55,442	138,268	131,520
Total	**49,482**	**62,085**	**158,564**	**150,768**

(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, 2021, Balkam Partners Ltd. and Hugh M. Balkam were owed $nil (February 28, 2021 - $7,229) and these amounts were included in amounts due to related parties, and (5) below.

(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 incurred to Marrelli Support Services Inc., a company controlled by Carmelo Marrelli, CFO of the Company. As at November 30, 2021, the Company owed this company $2,450 (February 28, 2021 - $7,053), this amount is included in due to related party transactions and (5) below.

(5) As at November 30, 2021, the Company owed certain officers, directors and parties related to officers and directors $nil (February 28, 2021 - $15,010), excluding legal fees disclosed in (6) below, in relation to the transactions described above. These balances are included in amounts due to related parties and are unsecured, non-interest bearing and due on demand.

(6) Professional fees and disbursements incurred 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, 2021, Gardiner is owed $17,753 (February 28, 2021 - $85,995) and this amount is included in amounts due to related parties. These balances are unsecured, non-interest bearing, and due on demand.

During the nine months ended November 30, 2020, an insider of the Company subscribed for 2,452,941 working capital units for $417,000, in connection to the June 19, 2020 private placement.

During the 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, 1,200,000 stock options were exercised by directors for common shares of the Company for gross proceeds of $98,750.

During the nine months ended November 30, 2021, 200,000 stock options were exercised by directors for common shares of the Company for gross proceeds of $16,000.

During the nine months ended November 30, 2021, 2,130,129 shares were issued to a director of the Company for settlement of $362,122 of debt.

As at November 30, 2021, Hugh Balkam, a director of the Company owns 16,883,345 common shares of the Company carrying approximately 10.34% of the voting rights attached to all common shares of the Company. As at November 30, 2021, directors and officers of the Company control an aggregate of 30,820,990 common shares of the Company or approximately 18.88% of the shares outstanding.

At November 30, 2021, the Company is not aware of any arrangements that may at 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.

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 28, 2021, 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, results of operations and cash flow 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.