TRANSATLANTIC MINING CORP.
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MANAGEMENT DISCUSSION AND ANALYSIS

Accompanying the September 30, 2021 Consolidated Interim Financial Statements

This Management Discussion and Analysis ("MD&A") prepared as of November 29, 2021, should be read in conjunction with the Company's consolidated interim financial statements and the accompanying notes for the nine months ended September 30, 2021 and related notes thereto, which have been reported in Canadian dollars, and prepared in accordance with International Financial Reporting Standards ("IFRS").

This discussion relates to the operations of Transatlantic Mining Corp. ("Transatlantic" or the "Company"), and its wholly-owned subsidiaries during the period up to the date of this report, being November 29, 2021.

Additional information, including press releases, has been filed electronically through the System for Electronic Document Analysis and Retrieval ("**SEDAR**") and is available under the Company's profile at www.sedar.com.

FORWARD-LOOKING INFORMATION

This MD&A contains certain forward-looking statements and information relating to the Company that are based on the beliefs of management as well as assumptions made by and information currently available to the Company. When used in this document, the words "*anticipate*", "*believe*", "*estimate*", "*expect*" and similar expressions, as they relate to the Company or management, are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to, among other things, regulatory compliance, the sufficiency of current working capital, the estimated cost and availability of funding for the continued exploration and development of exploration properties. Such statements reflect the current views of management with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect management's analysis only as of the date hereof. Readers should be aware that the Company is under no obligation to publicly release the results of any revision to these forward-looking statements, which may not reflect circumstances, or occurrences of unanticipated events after the date of this document.

CORPORATE OVERVIEW

The Company was amalgamated under the *Business Corporations Act* (British Columbia) by Certificate of Amalgamation dated January 28, 2011.

The Company is engaged in the acquisition and development of mineral property interests with a view to adding value primarily through exploration and additions to Mineral Resources. The Company's registered and head office is located at Suite 400 - 837 West Hastings Street, Vancouver, BC V6C 3N6.

The Company's main activities are summarized below on the Projects:

As of September 30, 2021:

Miller Mine: Drill planning and permitting

- Historical Hole Jericho DD Hole #1 -- **2.4 m** at **516** g/t Au
  Hole #2 -- **1.5 m** at **8.6** g/t Au
- Hand specimens have been collected on the level indicating **visible gold** in sample.
- Samples from the existing level indicated gold mineralization of **9.57** g/t Au over a **1.2 m true width** and in addition the lode was identified as continuing along a 100m strike length along the level.
- Drilling continued down dip to intersect the primary quartz vein and granodiorite position and successfully **intersected the vein a further 350 metres down dip** and still open with multiple and new veins intersected.
- Additional samples were taken on the Lower Level from the quartz vein remnant adjacent to stoped sections and assays are awaited. The historical production from these stopes recorded **7.1 oz/ton** (220g/ton) Au.
- A gravity concentrate of the tails and mid tails have been sent to a third party for extraction kinetics and analysis which had an original treated head **grade of 2021 g/t Au** (65 oz /ton Au).

Golden Jubilee Mine: Drill planning and permitting in progress

- Follow up on the Historical data with planned confirmation drilling and extension now out for tender with drilling companies.
- **100% Mineral** Claim Ownership.
- Previous 2014 Bulk mine development sample represented on vein + 100 m long and 2.0 m wide which averaged **10,000 tonnes** at a mined and processed grade of **9.00 g/t Au**.
- Existing Decline development infrastructure and horizontal access of 200 m to an existing vertical depth of 50 metres.
- Existing plus 37 drillholes database indicating vein open along strike and down dip.
- A geophysical program has been developed and now out for tender.
- New Exploration permit submitted for approvals in progress.

Monitor Copper /Gold Project: Transatlantic at 80% ownership with earn in option to 100%

- The main targets to access and review further are the Big Elk with surface subcrop samples of **30 % Copper** in chalcopyrite and the Monitor/Richmond high grade **6-15% Copper** grades with associated gold in a Structural Vein setting target.

Business Development: The Company continued to undertake due diligence activities on multiple properties as well as working with the sublessee on the Golden Jubilee Project.

At the end of the quarter, the share structure for the Company was 86,639,916 common shares.

On July 4, 2014, the Company entered an agreement with an unrelated third party (Andy Well Pty Ltd) to dispose of its Gnaweeda Gold Project, comprising interests in five tenements in Western Australia. Some milestone payments have already been paid to TCO and reported previously. The Company is further entitled to receive AUD$250,000 for every consecutive 50,000 ounces of poured gold sourced from the property, capped at 200,000 ounces of poured gold for a total of AUD$1,000,000.

On September 24, 2020, the Company closed the sale of U.S. Grant Mine and Mill and lease assignment for the Kearsarge Gold project (the "assets") including the property and equipment located in the assets over an extended period including a monthly payment schedule to September 2022.

The Company's shares trade on the TSX Venture Exchange ("**TSX.V**") under the symbol "TCO".

MANAGEMENT CHANGES

On September 15, 2021, the Company appointed Yuying Liang as Chief Financial Officer of the Company following Bernie Sostak's resignation as the interim CFO.

OVERALL PERFORMANCE / DISCUSSION OF OPERATIONS

The Company's business is the acquisition, exploration and addition of Mineral Resources on prospective mineral properties in areas of low political risk, close to infrastructure which will support future mine development.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. The impact on the Company has been confined to restrictions on international travel to the Company's properties.

The Company had purchased the Alder Mountain (US Grant) Gold Project and title in Madison County in Montana in the USA effective August 28, 2017 and has now completed the sale to Endomines in conjunction with rights to the Kearsarge Gold Project. It has also met expenditure commitments to acquire an 80% interest in a Mining Lease on the Monitor Copper Gold Project in the Coeur D'Alene Mining District, Idaho effective December 31, 2017. Whilst this milestone has been met, subsequent expenditures will earn additional equity ownership in the project or reimbursement of a proportion of monies on a pro rata basis. The Company continues to progress the Miller Mine option to purchase along with advancing the technical knowledge at the Golden Jubilee Project with continued diligence on a number of properties in the district.

Monitor Property

On February 5, 2013, as amended on March 12, 2015, the Company entered into an option and joint venture agreement with American Cordillera Mining Corporation ("AMCOR"), and Northern Adventures LLC ("NALLC") whereby it has the right to earn 80% of AMCOR's 100% leasehold interest in a Purchase Option Mining Lease Agreement between AMCOR and NALLC on the Monitor Property (the "Property"), located in Idaho, USA. In order for the Company to earn the 80% interest in the Property, subject to certain underlying royalties, the Company must:

(i) pay US$25,000 in cash, this has been paid;
(ii) incur property expenditures of US$2,100,000 over three years, this has been completed; and
(iii) issue 400,000 common shares of the Company in stages, all of which have been issued in prior years.

In exchange for the amendment , the Company paid additional consideration of 150,000 common shares (issued at a fair value of $30,000 in previous year) and US$25,000 cash (paid in previous year).

The Company shall have the right to exercise a buyout clause and thereby purchase a 100% interest in the Property from NALLC, and thereby terminate the Purchase Option Mining Lease Agreement. Upon exercise of this buy-out option, AMCOR shall be obligated to contribute 20% of the cost of the acquisition of the Property.

If the Company exercises the option, AMCOR shall receive a 20% carried interest until such time as the earlier of:

(i) a NI 43-101 compliant Feasibility Study is completed; and
(ii) the Company has notified AMCOR in writing of its decision to proceed with mining of the property.

At this time, a joint venture shall automatically be deemed to be formed between the Company and AMCOR, where AMCOR will hold a 20% joint venture interest and the Company will hold an 80% joint venture interest in the Monitor claims.

The Company has focused on obtaining the drill permits for new drill programs and metallurgical testing of mineralized rock coming from the St. Lawrence and Monitor properties and a drill permit is awaiting final approvals.

St. Lawrence Property

On June 25, 2015, the Company entered into a Lease Agreement for a parcel of land (the "St. Lawrence Property") on the Montana/Idaho border. The term of the lease is for 25 years, with an option to renew for a further 25 years. The Company provide a 1% net smelter returns ("NSR") royalty from any production from the St. Lawrence Property. The Company is obligated to pay an annual maintenance fee of US$10,000 upon the execution of the Lease Agreement (paid) and upon each anniversary date of the Lease Agreement. The landowner may terminate the Lease Agreement after seven years if the Company has not paid during that period NSR or equivalent cash payments totaling at least US$150,000.

The landowner may also terminate the lease after three years if the Company has not incurred by that time at least US$100,000 in expenditures on the St. Lawrence Property. As at September 30, 2021, the Company incurred $213,584 (December 31, 2020 - $153,076) in accumulated expenditures related to St. Lawrence Property.

As of September 30, 2021, the Company has paid all required lease payments for the years 2019, 2020 and 2021.

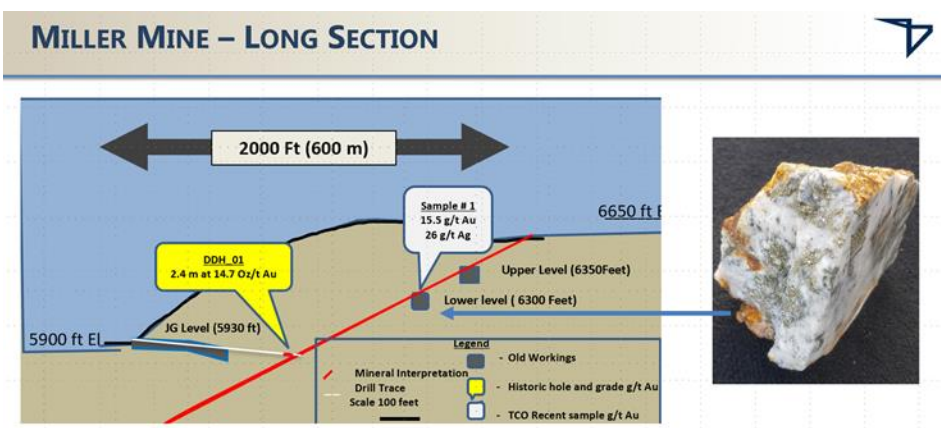
At September 30, 2021, the Company has a refundable performance bond of $14,705 (US$10,260) (December 31, 2020 - $14,705) for security of drilling activity requirements for the property.

Miller Mine Gold Project

On July 2, 2019, the Company entered into an exclusive agreement to lease with an option to purchase the Miller Mine in the Broadwater County of Montana. The agreement is now leasing in first renewal term with the Company’s election to lease and purchase with a profit share arrangement consideration. The Company has been granted an exclusive due diligence right to data and information on the Miller Mine Patented and Unpatented claims. As at September 30, 2021, due diligence was completed to an initial phase by sampling the old development, reviewing old data, and historic report reviews.

The terms of the agreement include:

- A First Renewal Term of 24 months following the expiry of the due diligence period for consideration of $100,000 USD in cash has been met. The Company is also to spend a further $100,000 in development in the first renewal term.
- A Second Renewal Term of 24 months on the expiry of the First Renewal Term for consideration of $100,000 USD spent in that period.
- Should mining occur at any time, an 8.5% royalty on ounces produced must be paid. During the term of the agreement, the Company may purchase the property for US$4,500,000, less the payments made above, and a perpetual 1% gold NSR to the vendor thereafter.



Summary Pierce Points on the Miller Mine Long Section with rock sample from Level

The Company continued and extended its activities on an agreement to lease and purchase the Miller Mine in the Broadwater County of Montana. Following on from Lower Level sampling previous, access was made to the Upper Level with quartz and sulphide apparent over 100 metres (300 feet) in strike. A grab sample under a collapsed chute further informed gold mineralization on the Upper Level. The sampling both from the current program and historical mining and drill programs underpin further drilling and future sampling activities to build a near term trial mining sample. These claims are approximately 29 miles to the North East of Townsend in Montana and add towards the consolidation strategy of the district that Transatlantic is undertaking.

During the year ended December 31, 2020, the Company exercised the First Renewal Term and paid US$25,000 in cash. The remaining consideration for entering the First Renewal Term of US$75,000 was paid on April 20, 2021.

On April 22, 2021, Alder Mountain Milling Corporation ("AMM") with the agreement and acknowledgement of Olympus Resources LLC ("Lessor'), assigned, sold, set over and conveyed unto Transatlantic Montana Corporation ("TMC") all of the lessee's right, title and interest in and to the Mining Lease, including without limitation, the leasehold estate created thereby under the Mining Lease dated July 9, 2019. TMC agreed to assume certain obligations of the lessee under the Mining Lease.

Golden Jubilee Property

On December 14, 2020, the Company entered into a Letter of Intent ("LOI") to purchase the Golden Jubilee Project consisting of 22 unpatented mining claims situated in Granite County, Montana, along with any and all equipment and assets situated on or used in connection with the exploration of such mining claims. The property is subject to an underlying lease agreement incorporating a 3% net smelter royalty.

The Company will pay US$550,000 to the seller in tranches as follows:

- US$100,000 due upon completion of due diligence (paid).
- US$25,000 due on December 14, 2020 (paid).
- US$375,000 due on February 15, 2021 (paid).
- US$50,000 due October 30, 2021 (paid).

On March 11, 2021, the Company completed the purchase of 100% of the Golden Jubilee Project. Up to the date of this MD&A, tenements are in good standing with the relevant statutory bodies.

	September 30, 2021 ($)
Monitor Property	
Acquisition Costs	617,339
St. Lawrence Property	
Acquisition Costs	109,281
Miller Mine Gold Project	
Acquisition Costs	138,327
Golden Jubilee Project	
Acquisition Costs	697,860

Mineral property expenses for the nine months ended September 30, 2021 are as follows:

	For the Nine Months Ended September 30, 2021				
	Golden Jubilee Project ($)	Monitor Property ($)	St. Lawrence Property ($)	Miller Mine Gold Project ($)	Total ($)
Assays and analysis	-	-	-	3,933	3,933
Consultants	23,716	15,782	6,750	73,395	119,643
General and administrative field cost	3,251	5,233	3,232	46,713	58,429
Management fees	30,000	54,000	39,000	66,000	189,000
Meals and entertainment	282	71	-	-	353
Planning and surveying	2,740	1,176	1,176	6,830	11,922
Professional fees	9,601	13,626	10,350	18,685	52,262
Rent	-	-	-	20,164	20,164
Travel, accommodation and fuel	280	303	-	12,711	13,294
Total	**69,870**	**90,191**	**60,508**	**248,431**	**469,000**

Business Development

The Company has reviewed and ranked many projects and is focused on gold and copper development projects as future high-margin exploration and mining opportunities. The sale process for the two assets in US Grant and Kearsarge provides an upside for all Transatlantic Shareholders with an equity position held in Endomines.

The Company continues its activities with focus on the Miller Mine and Golden Jubilee Property in addition to evaluating other projects to maximize the technical value of these gold projects in concert with the high-grade Copper Monitor Project.

The Company has also engaged in sourcing contracting activities and services to support its Business Model and provide further income support in the North West of USA.

The Company is reviewing and has recently purchased 2 surface diamond drill machines which are currently being serviced and maintained ready for 2022 drill season.

SELECTED ANNUAL INFORMATION

	Year Ended December 31, 2020 $	Year Ended December 31, 2019 $	Year Ended December 31, 2018 $
Revenue	-	-	-
General & Administrative and Other Income (Expenses)	8,561,791	(403,686)	(1,704,368)
Exploration Expenses	956,684	701,888	836,916
Income Tax Expense	862,063	-	-
Net Income (Loss) and Comprehensive Income (Loss)	6,743,044	(1,105,574)	(2,541,284)
Net Earnings (Loss) per Share - basic	0.08	(0.01)	(0.04)
Net Earnings (Loss) per Share - diluted	0.07	(0.01)	(0.02)
Total Assets	11,921,711	8,251,718	8,636,078

SUMMARY OF QUARTERLY RESULTS

A summary of financial results for the eight most recently completed quarters ending September 30, 2021:

	Revenue ($)	General & Administrative and Other Income (Expenses) ($)	Exploration Expenses ($)	Net Income (Loss) and Comprehensive Income (Loss) ($)	Earnings (Loss) per Share ($)
Sep-30-2021	-	462,574	228,423	234,151	0.00
Jun-30-2021	-	113,435	103,334	10,101	0.00
Mar-31-2021	-	(853,352)	137,243	(990,595)	(0.01)
Dec-31-2020	-	(495,247)	232,786	(1,590,096)	(0.02)
Sep-30-2020	-	9,689,070	324,243	9,364,827	0.11
Jun-30-2020	-	106,390	226,522	(120,132)	(0.00)
Mar-31-2020	-	(738,422)	173,133	(911,555)	(0.01)
Dec-31-2019	-	(47,781)	202,437	(250,218)	(0.00)

Fiscal 2021

During the third quarter of 2021, the Company recorded an income of $234,151 compared to an income of $10,101 in the second quarter of 2021. The significant change is mainly due to increase in foreign exchange gain, gain on debt settlement recognized during the third quarter of 2021 and decreased in the loss on sale of Endomines shares.

During the second quarter of 2021, the Company recorded an income of $10,101 compared to a loss of $990,595 in the first quarter of 2021. The significant change is mainly due to decrease in general administration expenses and mineral property expenses during the second quarter of 2021. Recognized gain on investment due to change in fair value of investments compared to a loss on investment during the first quarter of 2021.

During the first quarter of 2021, the Company recorded a loss of $990,595 compared to a loss of $1,590,096 in the fourth quarter of 2020. The significant change is mainly due to decrease in foreign exchange loss and change in fair value of investments recognized during the first quarter of 2021.

Fiscal 2020

During the fourth quarter of 2020, the Company recorded a loss of $1,590,096 compared to an income of $9,364,827 in the third quarter of 2020. The significant change is mainly due to change in fair value of investment recognized during the fourth quarter of 2020.

During the third quarter of 2020, the Company recorded an income of $9,364,827 compared to a loss of $120,132 in the second quarter of 2020. The significant change is mainly due to gain on sale of assets recognized during the third quarter of 2020.

During the second quarter of 2020, the Company recorded a loss of $120,132 compared to a loss of $911,555 in the first quarter of 2020. The significant change is mainly due to decrease in foreign exchange loss recognized during the second quarter of 2020.

During the first quarter of 2020, the Company recorded a loss of $911,555 compared to a loss of $250,218 in the fourth quarter of 2019. The significant change is mainly due to increase in foreign exchange loss recognized during the first quarter of 2020.

RESULTS OF OPERATIONS

Nine months ended September 30, 2021

The Company has earned a revenue of $Nil during the nine months ended September 30, 2021 and 2020. Exploration expenditures of $469,000 were lower by $254,898 than the $723,898 during the nine months ended September 30, 2020 due to decreased costs in exploration activities and sale of U.S. Grant Mine and Mill and Kearsarge gold project. Recognized gain on sale of Endomines investments of $318,449. Recognized loss on investment of $658,458 due to change in fair value of the Endomines investment.

General and administration expenses during the nine months ended September 30, 2021 totaled $236,180 which were lower by $145,268 than the $381,448 in the same period in 2020. This is mainly due to decrease in accretion and accrued interest and amortization during the current period.

Three months ended September 30, 2021

The Company has earned a revenue of $Nil during the three months ended September 30, 2021 and 2020. Exploration expenditures of $228,423 were lower by $95,820 than the $324,243 during the three months ended September 30, 2020 due to decreased costs in exploration activities and sale of U.S. Grant Mine and Mill and Kearsarge gold project. Recognized loss on sale of Endomines investments of $1,549. Recognized gain on investment of $233,339 due to changes in fair value of the Endomines investment.

General and administration expenses during the three months ended September 30, 2021 totaled

$82,076 which were lower by $743 than the $82,819 in the same period in 2020. This is mainly due to decrease in accretion and accrued interest, amortization and office expenses during the current period.

LIQUIDITY AND CAPITAL RESOURCES

As of September 30, 2021, the Company had working capital of $1,003,628 compared to a working capital of $2,359,200 as of the year ended December 31, 2020.

Nine months ended September 30, 2021

During the nine months ended September 30, 2021, net cash used in operating activities was $153,126 (2020 - $1,833,071) comprising of a net loss of $746,343 (2020 - net income of $8,333,140), amortization of $67,607 (2020 - $135,553), change in fair value of shares consideration of $658,458 (2020 - $Nil), interest income of $140,409 (2020 - $Nil), accretion and accrued interest of $Nil (2020 - $155,726), gain on sale of properties of $Nil (2020 - $9,350,075), gain on sale of Endomines shares of $318,449 (2020 - $Nil), gain on modification of $26,860 (2020 - $Nil), unrealized foreign exchange gain of $35,370 (2020 - $303,597), recovery on write-off of accounts payable of $22,921 (2020 - write-off of $23,451), gain on debt settlement of $147,330 (2020 - $Nil), decrease in receivables of $1,069,016 (2020 - $243), increase in prepaid expenses of $26,679 (2020 - decrease of $4,318), decrease in US grant payable of $Nil (2020 - $1,332,700), and decrease in accounts payable and accrued liabilities of $530,048 (2020 - increase of $547,772).

Cash provided by investing activities for the nine months ended September 30, 2021 was $112,300 (2020 - $2,426,510) comprising of proceeds from sale of mineral properties of $Nil (2020 - $2,463,504), proceeds from the sale of investment of $1,186,625 (2020 - $Nil), purchase of investments of $420,912 (2020 - $Nil), purchase of equipment of $15,603 (2020 - $Nil), and mineral properties additions of $637,810 (2020 - $36,994).

Three months ended September 30, 2021

During the three months ended September 30, 2021, net cash used in operating activities was $284,211 (2020 - $983,256) comprising of a net income of $234,151 (2020 - $9,364,827), amortization of $22,370 (2020 - $49,663), change in fair value of shares consideration of $233,339 (2020 - $Nil), interest income of $45,791 (2020 - $Nil), accretion and accrued interest of $Nil (2020 - $1,184), gain on sale of properties of $Nil (2020 - $9,350,075), gain on debt settlement of $88,509 (2020 - $Nil), loss on sale of Endomines shares of $1,549 (2020 - $Nil), unrealized foreign exchange gain of $202,940 (2020 - $534,308), write-off of accounts payable of $Nil (2020 - $23,451), decrease in receivables of $167,603 (2020 - $Nil), increase in prepaid expenses of $20,064 (2020 - $7,485), decrease in US grant payable of $Nil (2020 - $681,400), and decrease in accounts payable and accrued liabilities of $119,241 (2020 - increase of $197,789).

Cash provided by investing activities for the three months ended September 30, 2021 was $308,507 (2020 - $1,515,410) comprising of proceeds from sale of mineral properties of $Nil (2020 - $1,370,465), proceeds from the sale of investment of $338,569 (2020 - $Nil), and mineral properties additions of $30,062 (2020 - $144,945).

The Company is engaged in mineral exploration and development and is exposed to a number of risks and uncertainties inherent to the mineral resource industry. This activity is capital intensive at all stages and subject to fluctuations in metal prices, market sentiment, currencies, inflation and other risks. The Company currently has no source of material revenue and relies primarily on equity financings to fund its exploration, development and administrative activities. Material increases or decreases in the Company's liquidity will be substantially determined by the success or failure of its exploration and development activities, as well as its continued ability to raise capital. The current recessionary credit conditions have severely limited the Company's ability to raise financing through its usual methods and if these conditions persist, they will materially decrease the Company's liquidity and capital resources.

The Company's ability to continue as a going concern is dependent on continued financial support from its shareholders, and the ability of the Company to raise equity and other forms of finance to generate a future cashflow mining model. While management has been successful in obtaining additional sources of finance in the past, there can be no assurance that it will be able to do so in the future.

RELATED PARTY TRANSACTIONS

The following table summarizes services provided by related parties:

	Nine Months Ended September 30, 2021 ($)	Nine Months Ended September 30, 2020 ($)
Management (a)	210,000	270,000
Consulting and director fees (b)	68,243	86,202
	278,243	**356,202**

(a) The Company accrued management fees of $210,000 (2020 - $270,000) to the CEO of the Company, which is included in property expenditures.
(b) The Company accrued consulting fees of $35,000 (2020 - $45,000), which is included in property expenditures, and director fees of $33,243 (2020 - $41,202) to directors of the Company.

As of September 30, 2021, $3,623,857 (December 31, 2020 - $3,548,460) is due to related parties, being directors of the Company, for the services above, which is included in accounts payable and accrued liabilities. Amounts due to related parties are unsecured, non-interest bearing and have no fixed terms of repayment. A 25% beneficial interest by way of loan in the Golden Jubilee property is held by the CEO.

FINANCIAL INSTRUMENTS

The fair value of the Company's financial assets and liabilities approximates the carrying amount.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

- Level 3 - Inputs that are not based on observable market data.

The fair value of cash is based on level 1 inputs and approximates its carrying value due to the immediate or short-term maturity of these financial instruments; the fair value of the Company's investment securities, which are publicly traded, was estimated using level 1 inputs being the quoted market price.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk: Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is in its cash accounts and its receivables. This risk is managed through the use of a major bank that is a high credit quality financial institution as determined by rating agencies. $635,062 of the current receivable and long-term receivable of $2,337,798 are due from Endomines. The risk associated with its receivables is minimal.

Liquidity risk: Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Liquidity risk arises through the excess of financial obligations due over available financial assets at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available capital in order to meet its liquidity requirements. Liquidity risk is assessed as high.

Currency risk: Currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company's functional currency is the Canadian dollar. The Company is exposed to currency exchange rate risk to the extent of its activities in Australia and the United States. The Company's currency risk is presently limited to approximately $303,570 of net exposure denominated in Australian dollars and approximately $2,784,000 of net exposure denominated in US dollars. Based on this exposure as at September 30, 2021, a 5% change in the Australian dollar to Canadian dollar exchange rate would impact the Company's net loss by $15,179 and by $139,200 for a 5% change in the US dollar to Canadian dollar. Management believes the foreign exchange risk derived from currency conversions from the Australian and U.S. operations is not significant and does not hedge its foreign exchange risk.

Future changes in exchange rates could have a material effect on the Company's business, financial condition and results of operations.

Industry risk: The Company is engaged primarily in the mineral exploration field and manages related industry risk issues directly. The Company is potentially at risk for environmental reclamation and fluctuations in commodity-based market prices associated with resource property interests.

Management is of the opinion that the Company addresses environmental risk and compliance in accordance with industry standards and specific project environmental requirements.

Interest rate risk: Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk is not significant as the Company's assets and liabilities do not bear any interest.

Capital management: The Company manages its capital structure based on the funds available to the Company, in order to fund its general and administration expenses, support acquisition, maintenance, exploration, and development of mineral properties. The capital structure of the Company consists of equity and debt obligations, net of cash and cash equivalents. The Board of Directors has not established any quantitative return on capital criteria for management, instead relying on the expertise of the Company's management to sustain future development of the business. The properties in which the Company currently has interests are in the exploration stage and early production development, so the Company is dependent on external financing to fund its activities. In order to carry out activities and administration, the Company will spend its existing working capital and raise additional amounts as needed. The Company is not subject to any externally imposed restrictions on capital. There were no changes in the Company's approach to capital management during the period.

SHARE CAPITAL

The Company's authorized share capital consists of an unlimited number of common shares without par value. As of September 30, 2021, and as of the date of this report, the total number of common shares issued and outstanding is 86,639,916.

As of September 30, 2021, and as of the date of this report, the total number stock options issued and outstanding is 14,000,000.

As of September 30, 2021, the total number of share purchase warrants issued and outstanding is 2,538,734. As of the date of this report, the total number of share purchase warrants issued and outstanding is Nil.

CHANGES IN ACCOUNTING POLICIES

As of January 1, 2018, the Company adopted the new and amended IFRS pronouncements in accordance with transitional provisions outlined in the respective standards. The adoption of these standards did not have a material impact on the consolidated results, financial position or accounting policies of the Company. Significant standards adopted include the following:

IFRS 9, Financial Instruments ("IFRS 9")

IFRS 9 addresses the classification, measurement and recognition of financial assets and financial liabilities and supersedes the guidance relating to the classification and measurement of financial instruments in IAS 39, *Financial Instruments: Recognition and Measurement* ("IAS 39").

IFRS 9 requires financial assets to be classified into three measurement categories on initial recognition: those measured at fair value through profit and loss, those measured at fair value through other comprehensive income and those measured at amortized cost. Investments in equity instruments are required to be measured by default at fair value through profit or loss. For financial liabilities, the standard retains most of the IAS 39 requirements.

IFRS 15, Revenue from Contracts with Customers ("IFRS 15")

The new revenue standard introduces a single principles-based, five-step model for the recognition of revenue when control of goods is transferred to, or a service is performed for, the customer. IFRS 15 also requires enhanced disclosures about revenue to help users better understand the nature, amount, timing and uncertainty of revenue and cash flows from contracts with customers.

As of January 1, 2019, the Company adopted the new and amended IFRS pronouncements in accordance with transitional provisions outlined in the respective standards. The adoption of these standards did not have a material impact on the consolidated results, financial position or accounting policies of the Company. Significant standards adopted include the following:

IFRS 16 Leases ("IFRS 16")

Effective January 1, 2019, the Company adopted IFRS 16, *Leases*, which specifies how to recognize, measure, present and disclose leases. The standard introduces a single lessee accounting model and requires a lessee to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The Company's accounting policy under IFRS 16 is as follows: At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. This policy is applied to contracts entered into, or changed, on or after January 1, 2019. The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, and estimate of costs to dismantle and remove or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use assets are subsequently amortized from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term using the straight-line method. The lease term includes consideration of an option to renew or to terminate if the Company is reasonably certain to exercise that option.

In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising mainly from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, renewal or termination option due to a significant event or change in circumstances. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. Under IAS 17, *Leases* ("IAS 17"), the Company's accounting policy was as follows: The determination of whether an arrangement was (or contained) a lease was based on the substance of the arrangement at the inception of the lease. The arrangement was, or contained, a lease if fulfilment of the arrangement was dependent on the use of a specific asset and the arrangement conveyed a right to use the asset, even if that asset was not explicitly specified in an arrangement. A lease was classified at the inception date as a finance lease or an operating lease. A lease that transferred substantially all the risks and rewards incidental to ownership to the Company was classified as a finance lease. Finance leases were capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments were apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges were recognized in net finance expenses (income) in net loss. A leased asset was depreciated over the term of the lease. An operating lease was a lease other than a finance lease. Operating lease payments were recognized in net loss on a straight-line basis over the lease term. Lease incentives received were recognized as an integral part of the total lease expense, over the term of the lease.

Impact of transition to IFRS 16

Effective January 1, 2019 the Company adopted IFRS 16 using the modified retrospective approach. Accordingly, comparative figures as at and for the year ended December 31, 2018 have not been restated and continue to be reported under IAS 17 and IFRIC 4, determining whether an arrangement contains a lease ("IFRIC 4"). As at January 1, 2019 the Company had no operating leases. For equipment leases previously classified as finance leases under IAS 17, the Company measured the right-of-use asset and lease liability as previously accounted for without adjustment.

Accounting standards issued but not yet effective

There are no other IFRS or International Financial Reporting Interpretations Committee interpretations that are not yet effective that would be expected to have a material impact on the Company's consolidated financial statements.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

LITIGATION

The Company may from time to time be subject to litigation. At September 30, 2021, the Company has accrued for what it believes is a reasonable amount with respect to any litigation claims.

SUBSEQUENT EVENT

No subsequent event.