OLIVUT RESOURCES LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS

APRIL 30, 2020

OLIVUT RESOURCES LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2020

The effective date of this report is June 3, 2020.

This Management's Discussion and Analysis ("MD&A") contains certain "Forward-Looking Statements." All statements, other than statements of historical fact included herein, including without limitation, statements regarding potential mineralization and resources, exploration and evaluation activities, and future plans of Olivut Resources Ltd. (the "Company" or "Olivut") are forward-looking statements that involve various known and unknown risks and uncertainties and other factors that could cause actual results to differ materially from expected results, including but not limited to changes in future prices of precious minerals, variations in resources and grades, accidents, labour disputes and other risks associated with the exploration and mining industry, delays in obtaining governmental approvals and financing and the emergence of widespread health emergencies or pandemics, including the magnitude and duration of the COVID-19 pandemic and its impact on the global economy and financial market conditions and the Company's business, results of operations, financial condition and prospects. Other than as required by applicable laws, the Company does not update or revise any such forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events. Accordingly, readers should not place undue reliance on forward-looking statements.

This MD&A provides a detailed analysis of the business of the Company and compares the results for the three and six months ended April 30, 2020 and the comparative period in 2019. In order to better understand this MD&A, it should be read in conjunction with the unaudited condensed interim financial statements of the Company for the quarter ended April 30, 2020 and the audited financial statements for the year ended October 31, 2019. The Company prepares and files with various Canadian regulatory authorities its financial statements and MD&A in Canadian dollars and in accordance with International Financial Reporting Standards ("IFRS").

The Company's news releases and other regulatory filings can be found on SEDAR at www.sedar.com.

Description of Business

The Company is engaged in the acquisition, exploration and evaluation of properties for the purpose of mining precious minerals.

As of the date of this report, the Company has a 100% mineral interest in the HOAM Project located in the Mackenzie Region (the "HOAM Project") and, as announced on July 6, 2018, an option to earn 50% interest in the Seahorse Project as described below. Both projects are located in Canada's Northwest Territories.

In addition, the Company has completed in the past, and may, where warranted and subject to available cash, continue to seek opportunities in the future to complete early stage evaluations for precious mineral potential in other relatively unexplored regions of the world. Olivut views these opportunities to be worthwhile for its shareholders as a way to provide possible additional upside potential through new exploration of promising terrain. If any such opportunities are investigated, the intent is to focus limited, initial expenditures to evaluate the potential for economic precious mineral deposits of meaningful size. The aim of the Company's management and the Company's technical team is to acquire if warranted, in their view, enough new scientific information from early stage analysis to conclude relatively quickly if a new project warrants further corporate commitment.

Further detail is provided under "*Mineral Property and Exploration and Evaluation Activities".*

Summary of Quarterly Results

	2020 2nd Quarter $	2020 1st Quarter $	2019 4th Quarter $	2019 3rd Quarter $
Total interest income	4,182	4,191	6,661	8,979
Net (loss)	(139,800)	(161,316)	(612,043)	(278,128)
Basic and diluted net (loss) per share (1)	(0.00)	(0.00)	(0.01)	(0.00)

Note 1: The sum of the 2019 quarters' basic and diluted net loss per share does not equal the full year ending October 31, 2019 net loss per share of $0.02 due to rounding

	2019 2nd Quarter $	2019 1st Quarter $	2018 4th Quarter $	2018 3rd Quarter $
Total interest income	11,107	11,730	12,212	5,075
Net (loss)	(198,451)	(108,985)	(306,387)	(301,450)
Basic and diluted net (loss) per share (1)	(0.00)	(0.00)	(0.01)	(0.01)

Results of Operations

Three and six months ended April 30, 2020 compared to three and six months ended April 30, 2019.

The Company's net loss for the three and six months ended April 30, 2020 was $139,800 and $301,116 respectively (2019 - $198,451 and $307,436 respectively).

The Company has no active business income. Interest income is primarily earned on cash deposits, cash equivalents and the loan receivable, which in the three and six months ended April 30, 2020 amounted to $4,182 and $8,373 respectively (2019 - $11,107 and $22,837 respectively).

Excluding the accrued (and unpaid) salary expense of the President and CEO (who elected to defer payment of her salary in the six months ended April 30, 2020 and 2019), administrative and general expenses for the three and six months ended April 30, 2020 were $57,724 and $98,658, respectively, primarily reflecting insurance, legal/audit/accounting fees, regulatory fees and travel costs. These quarterly and six-month costs were basically consistent with the same amounts incurred in the three and six months ended April 30, 2019. Non-cash share-option amortization expense increased by $9,543 and $18,908 respectively in the three and six months ended April 30, 2020 compared to the same periods in the prior year as additional options were granted in October 2019.

Exploration expenses for the three and six months ended April 30, 2020 were $12,597 and $62,923 respectively (2019 - $93,569 and $115,736 respectively). The change in exploration expenses period over period is explained below under "*Mineral Property and Exploration and Evaluation Activities*".

Mineral Property and Exploration and Evaluation Activities

The HOAM Project

The Company has a 100% interest in certain permits in the HOAM project located in the Mackenzie Region, Northwest Territories, Canada (the "HOAM Project"). This interest is subject to a 1.5% Net Smelter Return royalty ("NSR"), 50% of which is held by a director and officer of the Company.

The Company relinquishes or acquires land holdings based on the evaluation of technical information. The Company currently has interest in permits totaling approximately 36,800 hectares.

The Company has been very successful in identifying kimberlite occurrences in this previously unexplored area of the Northwest Territories. Twenty-nine kimberlite discoveries have been made to date. Although some of the kimberlites are microdiamond bearing, they do not contain the extremely positive diamond inclusion field indicator mineral populations (including G10 garnets) that were previously found in regional stream sediment and till samples in the HOAM Project area. The presence of these high priority indicator minerals warrants continued exploration to discover their source.

In 2013 a detailed helimag program was undertaken to assess moderate to high priority anomalies identified from the ongoing analysis of Olivut's regional airborne magnetic database. Twenty-three blocks were flown at 50 metre line spacing. The blocks were selected based on logistical parameters to maximize the amount of data that could be obtained within a limited field budget.

As a result of the 2013 helimag program, seventeen targets were classified as being of moderate to high priority. In addition, as part of the 2013 helimag program, a larger block was flown over an area of known kimberlite occurrences to assess regional structures and define weaker magnetic responses. The Company is very pleased with the results from this test area as additional high interest targets were identified; many of these correlate to structural features. These results have positive implications for exploration within the broader region of the HOAM project area.

Exploration on the HOAM Project from 2014 through to the effective date of this MD&A has consisted of more in-depth interpretation of the Company's extensive regional airborne geophysical database. Modeling of certain targets also has been undertaken. Numerous additional new anomalies have been defined up ice from high interest kimberlite and diamond inclusion indicator mineral populations. The bedrock sources for these indicator mineral populations have yet to be identified. Based on the encouraging results to date, detailed airborne magnetic surveys will be required over these new anomalies to provide increased definition. It is anticipated that many additional new targets will be added to the current list of priority drill targets.

Numerous targets are drill ready on the HOAM Project and a detailed helimag program is proposed for additional regional geophysical anomalies in order to finalize the drill priority list. Completion of this work program is contingent on the raising of funds.

Actual exploration costs on the HOAM Project for the three and six months ended April 30, 2020 were $5,797 and $41,147 respectively (2019 - $9,623 and $18,826 respectively).

The Seahorse Project

On July 6, 2018 the Company announced that it had signed an option agreement (the "Option Agreement") with Talmora Diamond Inc. ("Talmora") to earn 50% in Talmora's Seahorse Project (the "Seahorse Project"), located in the Northwest Territories, by spending $1,200,000 (in a combination of cash and in-kind expenses) over two years on exploration expenditures and making a $200,000 payment to Talmora (the "Option Payment"). Olivut is the Operator during the option period. Olivut spent $1,295,256 on the Seahorse Project to October 31, 2019 in a combination of cash ($1,014,045) and in-kind expenses ($281,211). Olivut must decide whether to exercise its option by July 6, 2020. This interest is subject to a 1% NSR on certain land.

The Company considers the Seahorse Project to have the potential to host diamondiferous kimberlite bodies of significant size and perhaps other mineral deposits, based on a combination of: 2019 program results as described below; favourable diamond stability indicator minerals found regionally and locally, including 18 macro diamonds found in regional samples to the west and northwest; specific geophysical targets; regional and local faults that would favour kimberlite emplacement; occurrence of diamondiferous kimberlites to the north and southeast, as well as other geochemical data in the area.

A helimag program and possible follow-up drilling were planned to test multiple targets during the 2018 field season. During August of that year, crews and equipment were mobilized to initiate the detailed airborne geophysical survey program on the Seahorse Project. Unseasonable, extremely poor weather conditions severely hampered field progress with the helimag survey since flying was not possible throughout the majority of the attenuated field season. However, reconnaissance work to assist with the planned programs was carried out. The work that could not be completed was rescheduled to 2019.

Olivut successfully completed the helimag geophysical program during April and May 2019. Detailed, low-level, 50 metre line spacing magnetic information was collected and analyzed covering regional magnetic targets.

During August and September 2019 six holes were drilled to test certain regional geophysical targets that had been confirmed and further delineated by the detailed helimag program. The holes were drilled to a maximum depth of 316' (96.3 metres) using a reverse circulation, heli-portable drill.

Beneath tills, each of the holes intersected varying depths of a distinct homogeneous, extremely fine-grained clay that did not appear to be derived from the dolomite country rock that is exposed proximal to the targets. Down hole drilling conditions were exceptionally challenging, as was the recovery of drill sample material, due primarily to the nature of these intersected clays. Samples were collected from each of the holes and sent for analysis to Saskatchewan Research Council ("SRC").

Preliminary visual inspection, as well as further microscopic examination of many of the collected samples, could not specifically identify the host rock from which the clay material is derived. Subsequently, whole rock and multi-element geochemical results returned complex chemistry characterized by elevated rare earth element ("REE") content. Further analysis is ongoing to relate these findings to till samples taken down-ice in the general region. These REE levels are generally higher than, or consistent with, levels of REE detected in clays found to occur over some identified kimberlites in some locations of the world (e.g. western Australia and Namibia). Sulphides, including pyrite, galena and sphalerite, as well as other mafic minerals were easily identified in many downhole samples.

The Seahorse Project area underwent periods of extreme warming and laterization that destroyed silicate indicator minerals as evidenced from regional till sampling results. However, some opaque oxide indicator minerals and diamonds survive this type of weathering.

To determine the potential presence of any kimberlitic indicator minerals, additional samples from five drill holes, each consisting mostly of the homogeneous clay, were submitted for heavy mineral analysis to SRC. Chromites, ilmenites (some manganese bearing) and abundant pseudorutile (an alteration product of ilmenite which is common in intensely weathered kimberlite) are present. While the chromites and manganese bearing ilmenites are not unequivocally kimberlitic, some have compositions similar to those found as inclusions in Type 2a diamonds.

A surprising result of the heavy mineral analysis is the number of microfossils and the abundance of various forms of pyrite (some replacing organic material and microfossils) found in the concentrates. Also present are spherules (tiny bead-like features) believed to be associated with a meteorite impact. Microfossils and pyrite associated with anoxic (low oxygen) conditions require a different explanation for the origin of the clay than intensely altered kimberlite. Given the results to date, there are a number of possible scenarios that could explain the genesis of these clays and further work is required to obtain more information before arriving at a conclusion.

In addition to the drilling program described above, limited regional prospecting was conducted. A large gossan zone was identified on the property comprising the Seahorse Project that appears to have a strike length of approximately eight kilometres. Very limited sampling was conducted due to budget and fuel constraints. Some of these samples returned trace amounts of gold which may be significant given the limited number of samples collected. Further work is required to obtain more information before arriving at a conclusion. The linear gossan zone occurs within the dolomite country rock and likely represents a sulphide bearing fault zone. The Company's interest in the Seahorse Project includes any mineral deposits discovered, whether diamonds or other minerals.

This region has been subjected to no known previous detailed exploration work. The Company will report further details once they are available. Due to its remoteness, the project area must be supplied by small aircraft and helicopter. Although Talmora has been active in the area of the Seahorse Project, prior to Olivut's involvement it had not been able to conduct meaningful exploration due to a lack of financing during the prolonged negative capital market environment for junior exploration companies.

The Coronavirus pandemic and its effects particularly on planning and work in the Northwest Territories will likely prevent any field work being conducted in 2020.

Actual cash exploration costs incurred by the Company on the Seahorse Project for the three and six months ended April 30, 2020, were $6,800 and $21,776 respectively (2019 - $83,946 and $96,910 respectively, excluding the Option Payment and in-kind expenses).

Total cash expenditures on exploration and evaluation activities to date on the HOAM Project and the Seahorse Project included the following:

	HOAM Project $	Seahorse Project (1) $
Project to October 31, 2018	14,967,938	412,602(2)
Helimag Program	4,799	209,624
Drilling Program	18,038	570,717
General	10,918	21,102
For the year ended October 31, 2019	33,755	801,443
Project to October 31, 2019	15,001,693	1,214,045
Helimag Program	-	-
Drilling Program	9,000	8,111
Sampling	-	10,385
General	2,277	3,220
Land	29,870	60
For the six months ending April 30, 2020	41,147	21,776
Project to April 30, 2020	15,042,840	1,235,821

Note 1: excludes in-kind expenses incurred in respect of the Seahorse Project
Note 2: includes the $200,000 Option Payment

Cumulative exploration expenditures made by the Company as at April 30, 2020 total $17,227,749 (at October 31, 2019 - $17,164,826), including amounts spent in prior years on other projects where the Company's interests have been terminated.

Additional information is available at www.sedar.com and the Company's website at www.olivut.com.

Liquidity and Capital Resources

As at April 30, 2020, the Company had a cash balance of $129,964 (October 31, 2019 - $294,262) to settle accounts payable and accrued liabilities of $1,009,078 (October 31, 2019 - $941,329), which includes $984,414 (October 31, 2019 - $874,414) of unpaid salary and vacation pay owing to the Company's President and CEO (she has elected to defer payment of the bulk of her salary each year since fiscal 2015).

All of the Company's financial liabilities have contractual maturities of less than one year, with the exception of an immaterial office equipment lease.

During the three and six months ended April 30, 2020, cash used in operating activities was $56,996 and $173,298 respectively (2019 - $53,233 and $160,305 respectively).

The Company's ability to continue operations and fund its business is dependent on management's ability to secure additional financing and the continued deferral of some or all of the President and CEO's salary.

The Company must rely on equity financing to meet its ongoing working capital requirements and continuance as a going concern.

Furthermore, on the basis of the Company's current cash position, expected cash expenditures and despite the continued deferral of some or all of the salary of the Company's President and CEO, the Company believes it will require further equity financing to meet the working capital requirements as prescribed by the TSX Venture Exchange ("TSXV"), as outlined under "*Capital Management*".

The Company will continue to solicit additional funds to enable the Company to continue to operate as a going concern, to continue exploration on its projects and to consider new opportunities. Management carefully monitors its cash balances and may postpone exploration expenses to protect the Company's working capital if equity markets do not permit additional financing.

As at April 30, 2020, the Company did not have any long-term debt or contractual liabilities or obligations other than as reported in the annual financial statements.

Off-Balance Sheet Arrangements

The Company has not entered into any off-balance sheet transactions.

Transactions with Related Parties

In addition to salaries and benefits, during the three and six months ended April 30, 2020 a total of $2,400 and $4,800 respectively (2019 - $2,400 and $4,800 respectively) for administrative and general expenses included in the statements of operations were accrued or paid to directors and officers of the Company or persons or companies related to or controlled by them. The directors and officers of the Company or persons or companies related to or controlled by them were also reimbursed at cost for expenses incurred on behalf of the Company.

Included in accounts payable and accrued liabilities at April 30, 2020 is $986,148 (October 31, 2019 - $903,286) owing to directors and officers of the Company or persons or companies related to or controlled by them, including unpaid salary and vacation pay owing to the President and CEO of $984,414 (October 31, 2019 - $874,414).

Amounts owing to the related parties are unsecured and non-interest bearing with no fixed terms of repayment.

Critical Accounting Estimates

The areas which require management to make significant judgements, estimates and assumptions are described in detail in Note 3 to the audited financial statements for the year ended October 31, 2019.

Changes in Accounting Policies and Recent Accounting Pronouncements

Please refer to Note 4 of the audited financial statements for the year ended October 31, 2019.

Outstanding Share Data

As of June 3, 2020, an unlimited number of common shares with no par value are authorized of which 57,840,611 shares are issued and outstanding.

Under the terms of the Company's Share Option Plan, as at June 3, 2020 a total of 5,497,500 options to purchase common shares at exercise prices ranging from $0.05 to $1.40 per common share and expiring between June 26, 2022 and October 28, 2029 are outstanding.

Commitments and Contingencies

1. Environmental Contingencies

The Company's exploration activities are subject to various federal, provincial and international laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

2. Management Contracts

The Company is party to a management contract. Minimum contract commitments remaining under the agreement are approximately $660,000, including $220,000 due within one year. Upon the occurrence of certain events such as a change of control, the contract requires payment of up to $1,000,000. As the likelihood of these events taking place is not determinable, the contingent payment has not been reflected in the unaudited condensed interim financial statements for the period ended April 30, 2020.

3. Flow-Through Shares

Pursuant to the issuance of 666,667 common shares with flow-through tax benefits to the shareholders ("flow-through shares") on July 6, 2018, the Company renounced $100,000 of qualified exploration expenditures with an effective date of December 31, 2018.

The Company was required to expend this amount on qualified exploration expenditures by December 31, 2019. As of that date, the Company believes it has expended this entire amount on qualified exploration expenditures.

The Company has indemnified the subscribers of current and previous flow-through share offerings against any tax related amounts that may become payable by the subscribers as a result of the Company not meeting the expenditure commitment.

4. Litigation

The Company is not involved in any outstanding litigation.

Capital Management

There were no changes in the Company's approach to capital management during the six months ended April 30, 2020. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and evaluation of mineral properties. The capital of the Company consists of capital stock and equity reserves. The Board of Directors does not establish quantitative return on capital criteria for the Company's management, but rather relies on the expertise of management to sustain future development of the business.

The properties in which the Company currently has an interest are in the exploration stage. Accordingly, the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for its administrative costs, the Company will spend its existing working capital and raise additional amounts as needed and if reasonably available. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than of the TSXV which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of six months. As of April 30, 2020, the Company is not compliant with these policies of the TSXV. The final impact of this violation is not known and is ultimately dependent on the discretion of the TSXV.

Risks and Uncertainties

The Company's risk management policies and practices have not substantially changed during the six months ended April 30, 2020. The most significant risks and uncertainties facing the Company include, but are not limited to, the following:

1. Financial Risk Factors

The Company's financial risk exposures and the impact on the Company's financial instruments are summarized below:

a) Liquidity Risk / Going Concern

As at April 30, 2020, the Company had a cash balance of $129,964 to settle accounts payable and accrued liabilities of $1,009,078, which includes $984,414 of unpaid salary and vacation pay owing to the Company's President and CEO that she has elected to defer and that is non-interest bearing with no fixed terms of repayment. All of the Company's financial liabilities have contractual maturities of less than one year, with the exception of an immaterial office equipment lease. The Company's ability to continue operations and fund its business is dependent on management's ability to secure additional financing and the continued deferral of some or all of the President and CEO's salary. Although the Company has been successful in the past in obtaining financing, there can be no assurance that additional funding will be available, or available under terms favourable to the Company, or that the President and CEO will continue to elect to defer some or all of her salary. The Company will need to rely on new sources of equity financing, if available, to meet its ongoing working capital requirements. There currently exists a low level of investor interest for equity financing of junior exploration companies.

Management of the Company is actively investigating additional financing to enable the Company to continue to operate, including exploration on its projects, and to consider new opportunities.

Failure to obtain additional financing would result in delay or the indefinite postponement of further exploration and the development of the HOAM and/or Seahorse Projects as well as the loss of prospecting permits and/or mineral claims and the risk of the Company failing to continue as a going concern.

Further discussion relating to liquidity risk is described above under *"Liquidity and Capital Resources".*

b) Credit Risk

The Company's credit risk is primarily attributable to cash, amounts receivable and a loan receivable. The Company has no significant credit risk arising from operations. Cash consists of bank deposits with Canadian chartered banks. The loan receivable is described in Note 9 to the unaudited condensed interim financial statements for the six months ended April 30, 2020 and is secured by all assets of the borrower.

c) Market Risk

i. Interest Rate Risk

The Company's current policy is to invest its cash and cash equivalent balances in investment-grade short-term guaranteed investment certificates issued by its banking institution. The Company periodically monitors the investments it makes and is satisfied with the credit rating of its banks. The Company considers interest rate risk to be minimal. The loan receivable is at a fixed interest rate and it is expected that future financings, if any, would be secured from equity placements rather than debt obligations.

ii. Foreign Currency Risk

The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. Management believes that the foreign exchange risk from currency conversions is negligible.

iii. Price Risk

The Company is exposed to price risk with respect to commodity prices. Although the Company has no influence on commodity prices, it closely monitors commodity prices to determine appropriate courses of action.

d) Fair Value

The carrying amounts for cash, amounts receivable, accounts payable and accrued liabilities on the statements of financial position approximate fair value because of the limited terms of these instruments. The fair value of the loan receivable approximates carrying value as the interest rate approximates the current rate for similar instruments.

The Company's financial instruments that are carried at fair value consist of cash equivalents that do not have quoted market prices. They have been classified as level 2 within the fair value hierarchy.

e) Sensitivity to Financial Risks

The Company considers interest rate risk to be minimal. The loan receivable, described in Note 9 to the unaudited condensed interim financial statements for the six months ended April 30, 2020, has a fixed interest rate of 7% and the Company does not carry interest bearing debt. It is expected that future financings, if any, would be secured from equity placements rather than debt obligations. Based on cash held by the Company as at April 30, 2020, a 1% increase or decrease in the interest rate would generate a respective increase or decrease in interest income of approximately $1,000 annually.

The Company does not hold any balances in foreign currencies to give rise to foreign exchange risk.

Price risk is remote since the Company is not a producing entity.

2. Exploration

In addition to the uncertainty of the Company's ability to raise financing to allow continued exploration of the HOAM and/or Seahorse Projects, the Company's exploration projects are subject to conditions beyond its control that can affect the carrying costs and exploration and evaluation costs for varying lengths of time. Such conditions include environmental hazards, unusual or unexpected geological formations or pressures and periodic interruptions due to inclement or hazardous weather conditions, geopolitical, economic, regulatory conditions, dependence on key employees and consultants as well as regional and global health emergencies. Such risks could result in damage to, or destruction of, mineral properties or facilities, personal injury, environmental damage, delays in exploration programs, monetary losses and possible legal liability. Mineral exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that exploration efforts will be successful. Success in establishing marketable mineral reserves is a result of a number of factors, including the quality of management, the Company's level of geological and technical expertise, the quality of land holdings, the availability of suitable employees, contractors, consultants and equipment and other factors.

If mineralization is discovered, it may take several years in the initial phases of drilling until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish proven and probable reserves through drilling, to determine the optimal recovery process to extract the minerals from the ore and to construct mining and processing facilities. Because of these uncertainties, no assurance can be given that exploration programs will result in the establishment of resources or reserves.

Whether a resource deposit will ultimately be commercially viable depends on a number of factors, including the particular attributes of the deposit such as the deposit's size, financing costs and the prevailing prices for the applicable resource. Also of key importance are government regulations, including those relating to prices, taxes, royalties, land tenure, land use, land treaties and environmental protection, and relations with local communities and Indigenous peoples.

The Company's continued existence is dependent upon the ability of the Company to raise financing, if necessary and/or available, its extensive regional information database, the preservation and confirmation of its interest in the underlying exploration properties, the discovery of economically recoverable reserves, the achievement of profitable operations, the health and well-being of its key employees and consultants and upon the Company's ability to dispose of its interests on an advantageous basis.

Although the Company has taken steps to verify title to the properties on which it and/or its joint venture partner (if applicable) is conducting exploration and in which it and/or its joint venture partner (if applicable) has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's or its joint venture partner's (if applicable) title. Property title may be subject to unregistered prior agreements, indigenous land claims and non-compliance with regulatory requirements.

3. Licenses and Permits, Laws and Regulations

The Company's exploration activities may require permits from various government authorities, and are subject to extensive federal, provincial and local laws and regulations governing prospecting, exploration, development, production, exports, taxes, labour standards, occupational health and safety, mine safety and other matters. Such laws and regulations are subject to change, can become more stringent and compliance can therefore become more costly. The Company relies on the expertise and commitment of its management team, their advisors, and contractors to ensure compliance with current laws and fosters a climate of open communication and cooperation with regulatory bodies. The Company believes that it and its joint venture partner (if applicable) hold all necessary licenses and permits under applicable laws and regulations and believes it and its joint venture partner (if applicable) are presently complying in all material respects with the terms of such licenses and permits.

There can be no guarantee that the Company or its joint venture partner (if applicable) will be able to maintain or obtain all necessary licenses and permits that may be required to explore and evaluate the properties under exploration, commence construction or operation of mining facilities or to maintain continued operations.

4. Climate Change

Execution of the Company's exploration programs are highly dependent on weather conditions in the areas of exploration. The risk of delays or cancellations of exploration programs due to poor weather conditions possibly related to climate change, including the timing and expense of such delays or cancellations, is currently impossible to predict or measure.

5. COVID-19 Pandemic

Governments and regulatory bodies have imposed a number of measures designed to contain the spread and outbreak of the COVID-19 disease, including temporary business closures, travel restrictions, quarantines and stay-at-home directives. The COVID-19 pandemic will likely continue to negatively impact global economic conditions. The Company is closely monitoring the potential effects and impact of the pandemic, which is an evolving situation. As a result of the spread of COVID-19 and government actions taken, many of the risks the Company manages, both financial and non-financial, have increased.

Subsequent Event

On May 25, 2020 the Company entered into a loan extension agreement with the borrower extending maturity of the loan receivable (Note 9 to the unaudited condensed interim financial statements for the six months ended April 30, 2020) for a period of two years to May 25, 2022. All other terms and conditions remain unchanged.