VAL D’OR MINING CORPORATION

MANAGEMENT’S DISCUSSION AND ANALYSIS

FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2019 AND 2018

DATED: August 28, 2019

SCOPE OF THIS MANAGEMENT'S DISCUSSION AND ANALYSIS AND NOTICE TO INVESTORS

This management's discussion and analysis of financial position and results of operations ("MD&A"), is prepared as of August 28, 2019, and complements the unaudited condensed interim financial statements of Val-d'Or Mining Corporation ("Val-d'Or" or the "Company"), for the three and six months ended June 30, 2019 and 2018.

The condensed interim financial statements and related notes have been prepared in accordance with IAS 34, "Interim Financial Reporting". They do not contain all the information required to be disclosed in annual financial statements. Certain information and notes usually provided in the annual financial statements have been omitted or condensed when not deemed essential to the understanding of the interim financial information of the Company. Therefore, this MD&A should be read in conjunction with the information contained in the annual audited financial statements of the Company and the notes thereto for the year ended December 31, 2018. All financial information has been prepared in accordance with International Financial Reporting Standards ("IFRS") and all amounts are in Canadian dollars unless otherwise indicated.

The unaudited condensed interim financial statements and the MD&A have been reviewed by the audit committee and approved by the Company's Board of Directors on August 28, 2019. These documents and more information about the Company are available on SEDAR at www.sedar.com.

FORWARD LOOKING STATEMENTS

Certain statements made in this MD&A are forward-looking statements or information. The Company is hereby providing cautionary statements identifying important factors that could cause the Company's actual results to differ materially from those projected in the forward-looking statements. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "may", "is expected to", "anticipates", "estimates", "intends", "plans", "projection", "could", "vision", "goals", "objective" and "outlook") are not historical facts and may be forward-looking and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements. In making these forward-looking statements, the Company has assumed that the current market will continue and grow and that the risks listed below will not adversely impact the business of the Company. By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predicted outcomes may not occur or may be delayed. The risks, uncertainties and other factors, many of which are beyond the control of the Company that could influence actual results are summarized below under the heading "Risks and Uncertainties".

Further, unless otherwise noted, any forward-looking statement speaks only as of the date of this MD&A, and, except as required by applicable law, the Company does not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for management to predict all such factors and to assess in advance the impact of each such factor on the business of the Company, or the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statement.

ABOUT VAL-D'OR MINING CORPORATION

The Company, incorporated on February 18, 2010 under the Business Corporations Act of British Columbia, is involved in the process of exploring, evaluating and promoting its mineral properties and other projects.

The head office of the Company is located at 152 Chemin de la Mine École, Val d'Or, Québec, J9P 7B6. The Company's registered and records office is located at #530 - 355 Burrard Street, Vancouver, B.C. V6C 2G8. The Company also has exploration offices located at 2864 Chemin Sullivan, Val-d'Or, Québec, J9P 0B9.

Effective November 9, 2018, the Company's shares, which are listed on the TSX Venture Exchange, changed its trading symbol to “VZZ”.

Golden Valley Mines Ltd. (“Golden Valley”), a significant shareholder, holds a 31.03% (December 31, 2018 – 24.82%) interest in the Company as at June 30, 2019.

MINERAL PROPERTIES

a. *Abitibi Greenstone Belt Prospect - Québec and Ontario*

On April 18, 2017, the Company signed a Mining Option Agreement (“Option Agreement”) with Golden Valley, to acquire a 100% interest in the Abitibi Greenstone Belt Prospect consisting of 61 grassroots properties. Pursuant to the terms of the Option, the Company must incur $4,000,000 of expenditures with respect to exploration and other mining operations on the properties before December 31, 2021 (with $500,000 to be incurred on or before December 31, 2018, $750,000 to be incurred on or before the December 31, 2019, $1,000,000 to be incurred on or before December 31, 2020, and $1,750,000 to be incurred on or before December 31, 2021).

As consideration for the Option Agreement, the Company will issue 16,666,668 common shares to Golden Valley at a deemed price of $0.12 per share for an aggregate deemed value of $2,000,000 (issuable as to 4,166,667 common shares on or before each of December 31, 2018, 2019, 2020 and 2021). In addition, the Company has granted Golden Valley a royalty equal to 1.25% of the net smelter returns ("NSRs") from the 61 properties on the terms set out in the Option Agreement of which 1% may be bought back by the Company by paying Golden Valley $5,000,000, at the Company's option, in cash or shares at a deemed price per share equal to the market price of the Company's shares at the time of such election. If the Company has issued the common shares and incurred the expenditures provided for in the Option, it may exercise the option on or before December 31, 2021.

The Company exceeded its obligation to incur $500,000 of expenditures on or before December 31, 2018 as required under the Option Agreement. As the Company continued the earn-in process on the 61 properties optioned from Golden Valley, the Company issued on January 22, 2019 a total of 4,166,667 of its common shares, valued at $416,667, to Golden Valley in accordance with the Option Agreement and spent in excess of $250,000 on those properties for the first six months of the year.

The objective for 2019 is to advance and enhance a limited number of key properties by seeking partners by way of option and/or joint venture agreements, or subject to market conditions, continue as operator on the optioned properties. The Company will require significant capital in order to fund its operating costs and to fulfill its commitments on the Abitibi Greenstone Belt prospects as the Company has no revenues and is reliant upon equity financing to fund all of its requirements.

Program Details – Key Properties

The Company's main efforts concentrated on the Oregon and Magoma prospects, both located in northwestern Québec. The Company conducted ground geophysical surveys and geological and prospecting programs are planned for further delineation of geophysical anomalies, together with reviews of historical mineralization and regional exploration activity, all to assist with drill target selection.

Program Details – Other Programs

Val-d'Or Mining initiated or completed geoscientific compilations and/or technical evaluation reports on selective properties from the properties optioned from Golden Valley.

Earlier in 2019, property-scale remote sensing studies were completed on three prospects (Dionne, Mona Lisa and Riviere Lois prospects) and a property compilation was initiated on the Calamity prospect. The objective of the work was to define targets for a follow-up ground prospecting and sampling and/or, geophysical programs, during the summer 2019 field season. These four (4) properties are located in the Abitibi Greenstone Belt in northwestern Québec.

New Initiatives

Val-d'Or Mining acquired, by way of staking, two new properties located in the Matachewan and Cobalt areas in northeastern Ontario, within the highly prospective Abitibi Greenstone Belt. The two properties are prospective for gold and cobalt-silver-nickel mineralization. Property compilations have been initiated with the objective of defining targets for ground follow-up exploration work and for further project generation initiatives in these new areas of interest.

b. <u>Boston Bulldog Prospect – Abitibi Greenstone Belt - Kirkland Lake, Ontario</u>

Subsequent to the mining claim to cell claim conversion process completed by the Ontario government in April 2018, the Boston Bulldog Prospect now consists of 15 claim cells (14 single cell and 1 boundary cell claims), covering an area of approximately 305 hectares. Prior to the cell to claim conversion process, the property consisted of a single claim of 144 hectares.

On February 16, 2015, the Company entered into a Mining Option Agreement, amended on March 6, 2015, March 24, 2017, January 19, 2018 and March 5, 2019, pursuant to which it has been granted by 2973090 Canada Inc., a Canadian private company wholly-owned and controlled by the President and Director of the Company, an option to acquire a 100% interest in the mineral claims comprising the Boston Bulldog Prospect, subject to a 3% NSR royalty. In consideration of the grant of the option, the Company paid 2973090 Canada Inc. a sum of $5,000 in cash to cover the cost of staking the property and issued 300,000 common shares (issued in April 2015). To maintain and exercise the option, the Company must keep the property in good standing and incur exploration expenditures of $50,000 by April 7, 2020.

In accordance with the terms of the option, the Company has the right to reduce the royalty from 3% to 2% of the NSR by paying 2973090 Canada Inc. $1,000,000 at any time on or before February 16, 2022.

An exploration program for the property is currently at the planning stage.

Shoot-Out (East and West) Prospect - Northern Québec

The Shoot-Out Prospect is the combination of two properties, Shoot-Out East and Shoot-Out West, and is located in the Raglan Belt of northern Québec. The Company has a 100% ownership interest in this property that is subject to a 3% NSR in favour of the original vendors, one of which is a director and President of the Company. Presently no immediate exploration fieldwork is planned on the property.

Marymac Prospect – Labrador Trough, Québec

The Marymac Prospect located in the Labrador Trough of Québec. The Company holds a 100% interest in the Marymac Prospect that is subject to a 2% NSR interest in favour of Capex Group Inc. (formerly 862539 Alberta Ltd.), which was granted pursuant to an agreement dated March 1, 2001. Presently no immediate exploration fieldwork is planned on the property.

Fortin Prospect – Abitibi Greenstone Belt - Senneterre, Québec

The Fortin Prospect is located in the central part of Ducros Township, approximately 80 kilometres northeast of the City of Val-d'Or, Québec, and consists of 5 contiguous mining claims. The Company holds a 100% interest in this property that is subject to a 1.5% NSR in favour of the original vendors. The Company retains the right to buyback the NSR at anytime; 0.5% buyback for $500,000 and 1% buyback for $1,000,000. Presently no immediate exploration fieldwork is planned on the property.

SELECTED FINANCIAL INFORMATION

FINANCIAL CONDITION REVIEW

		As at June 30, 2019		As at December 31, 2018
Cash and cash equivalents	$	**317,307**	$	627,208
Other current assets		**97,814**		72,629
Exploration and evaluation assets		**1,319,506**		1,086,803
Other non-curren assets		**5,838**		-
Total Assets		**1,740,465**	$	1,786,640
Total Liabilities	$	**36,144**	$	36,823
Total Equity	$	**1,704,321**	$	1,749,817

ASSETS

The Company ended the second quarter of 2019 with cash and cash equivalents of $317,307 compared to $627,208 as at December 31, 2018, a decrease of $309,901 from funding the Company's operating activities in the amount of $221,036 and the Company's exploration and evaluation activities in the amount of $267,515 at prospects located in the Abitibi Greenstone Belt of Québec, net of proceeds of $164,769 from the exercise of 1,938,461 share purchase warrants at $0.085 per warrant.

Other current assets were mainly related to sales taxes recoverable of $15,966 (2018 - $44,988), deposits of $21,758 (2018 - $nil) held with Ministère de l'Énergie et des Ressources Naturelles for claims staking and management on corporate owned properties and of $26,943 (2018 - $nil) held with Golden Valley for claim renewal and maintenance fees on optioned properties under the mining option agreement with Golden Valley; and an advance of $11,604 (2018 - $nil) held with one of the Company's suppliers for geophysics services.

Exploration and evaluation assets increased from $1,086,803 as at December 31, 2018 to $1,319,506 as at June 30, 2019 mainly due to expenditures of $267,515 incurred on advancing the key properties in the Abitibi Greenstone Belt of Québec.

LIABILITIES AND EQUITY

Total liabilities as at June 30, 2019 were $36,144 compared to $36,823 as at December 31, 2018, a decrease of $5,040 mainly attributable to timing of payroll related accruals.

Total equity as at June 30, 2019 were $1,704,321 compared to $1,749,817 as at December 31, 2018, an increase of $64,472. The increase was due to the issuance of 4,166,667 common shares of the Company, valued at $416,667, relating to the mining option agreement with Golden Valley and proceeds of $168,294 from the exercise of 52,500 incentive stock options and exercise of 1,938,461 share purchase warrants, offset by the net loss for the period of $259,529.

DISCUSSION AND RESULTS OF OPERATIONS

This table presents selected information for the three and six months ended June 30, 2019 and 2018:

	For the three months ended June 30,		For the six months ended June 30,	
	2019	**2018**	**2019**	**2018**
Operating expenses	$ **118,465**	$ 167,896	$ **258,559**	$ 553,226
Other expenses	**585**	572	**970**	1,275
Net loss and comprehensive loss	$ **119,050**	$ 168,468	$ **259,529**	$ 554,501
Basic and diluted loss per common share	$ **0.003**	$ 0.005	$ **0.006**	$ 0.017

The net loss for the three and six months ended June 30, 2019 was $119,050 (or $0.003 loss per share) and $259,529 (or $0.006 loss per share) compared to $168,468 (or $0.005 loss per share) and $554,501 (or $0.17 loss per share) for the same period in 2018.

The decrease in net loss for the three months ended June 30, 2019 was mainly the result of lower consulting fees of $19,125 in 2019 compared to $43,793 in 2018 and no exploration and evaluation expenses in 2019 compared to $20,690 in 2018. These decreases in 2019 were offset by share-based payments of $28,763 from the grant of 722,263 incentive stock option in June 17, 2019, (no incentive stock options were granted for the three months ended June 30, 2018). Consulting fees incurred for 2019 to advance and enhance a number of key properties, amounting to $18,000 (compared to $nil for 2018), were capitalized to Exploration and Evaluation asset during the three months ended June 30, 2019.

The decrease in net loss for the six months ended June 30, 2019 was mainly the result of lower share-based payment of $28,763 in 2019 compared to $256,925 in 2018, lower consulting fees of $39,675 in 2019 compared to $84,463 in 2018, and no exploration and evaluation expenses in 2019 compared to $19,595 in 2018. These decreases in 2019 were offset by the recognition of impairment on exploration and evaluation assets of $23,072 and higher expenses relating to audit and accounting fees. Consulting fees incurred for 2019 to advance and enhance a number of key properties, amounting to $36,000 (compared to $nil for 2018), were capitalized to Exploration and Evaluation assets during the six months ended June 30, 2019.

CASH FLOW REVIEW

		For the six months ended June 30, 2019		2018
Operating activities	$	**(221,036)**	$	(287,318)
Investing activities		**(255,775)**		(36,225)
Financing activities		**166,910**		(379)
Decrease in cash	$	**(309,901)**	$	(323,922)

Operating activities for the six months ended June 30, 2019 resulted in cash outflows of $221,036 compared to $287,318 for the same period of 2018. The decrease in the use of cash was mainly the result of lower salaries and benefits and lower consulting fees allocated to operating activities as $36,000 was capitalized to Exploration and Evaluation assets – refer to discussion below on investing activities.

Investing activities for the six months ended June 30, 2019 resulted in cash outflows of $255,775 compared to $36,225 in 2018. These cash outflows represented exploration and evaluation expenditures of $267,515, net of tax credits received of $11,740. Exploration and evaluation expenditures were incurred on the properties optioned from Golden Valley.

Financing activities for the six months ended June 30, 2019 resulted in cash inflows of $166,910 compared to cash outflows $379 in 2018. Financing activities for the six months ended June 30, 2019 were mainly related to the share issuance of 52,500 common shares from the exercise of incentive stock options for proceeds of $3,525 and to the exercise of 1,938,461 share purchase warrants at $0.085 per warrant for proceeds of $164,769.

SUMMARY OF QUARTERLY RESULTS

The following selected financial information is for the 8 most recently completed quarters as derived from the Company's respective financial statements and notes thereto. The following information should be read in conjunction with the referenced financial statements, the notes to those statements.

	Jun 2019	Mar 2019	Dec 2018	Sept 2018	Jun 2018	Mar 2018	Dec 2017	Sept 2017
Operating expenses	$ 118,465	$ 140,094	$ 158,448	$ 65,946	$ 124,329	$ 255,207	$ 102,467	$ 99,857
Other expenses (income)	585	385	2,967	(1,280)	572	703	94	72
Net loss and comprehensive loss	$ 119,050	$ 140,479	$ 161,415	$ 64,666	$ 124,901	$ 255,910	$ 102,561	$ 99,929
Basic and diluted net loss per common share	$ (0.003)	$ (0.004)	$ (0.005)	$ (0.003)	$ (0.005)	$ (0.012)	$ (0.004)	$ (0.005)

Quarterly information for 2018 has been restated for comparability

LIQUIDITY, CAPITAL RESOURCES AND SOURCES OF FINANCING

As of June 30, 2019, the Company had cash and cash equivalents of $317,307. Management routinely plans future activities including forecasting cash flows. Management has reviewed their plan with the Directors and has collectively formed a judgment that the Company has adequate resources to continue as a going concern for the foreseeable future, which Management and the Directors have defined as being at least the next 12 months. However, based on the Company's current development plan and commitments, the Company will have to raise additional financing to be able to fulfill its commitments on the Abitibi Greenstone Belt prospects described in the Commitments section.

Please refer to the Risk and Uncertainties section for more information.

INFORMATION ON OUTSTANDING SECURITIES

The following table sets out the number of common shares, warrants and options outstanding as of the date hereof:

Common shares outstanding:		42,498,605
Stock options exercisable:		4,199,860
Average exercise price of:	$	0.10
Warrants outstanding:		9,939,090
Average exercise price of:	$	0.14

Stock options outstanding:			
Expiry date	**Exercise price**		**Number of stock options outstanding**
November 20, 2019	$	0.080	43,199
May 16, 2021	$	0.065	424,301
February 5, 2023	$	0.105	2,500,000
October 24, 2023	$	0.110	510,097
June 17, 2019	$	0.075	722,263
			4,199,860

Warrants outstanding:			
Expiry date	**Exercise price**		**Number of warrants outstanding**
November 30, 2020	$	0.100	1,380,000
November 30, 2020	$	0.150	7,400,000
October 18, 2021	$	0.150	1,159,090
			9,939,090

OFF BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements as at June 30, 2019 or as at the date of this MD&A.

CRITICAL ACCOUNTING ESTIMATES

The critical judgements and estimates are disclosed in note 5 of the audited financial statements.

RELATED PARTY TRANSACTIONS

Transactions with a shareholder

For the three months ended June 30, 2019, Golden Valley recharged general and administrative expenses to the Company for a total amount of $17,057 (2018 - $30,839), of which $5,322 (2018 - $8,193) was capitalized as Exploration and Evaluation assets and the remaining $11,735 (2018 - $22,796) was recorded in the statement of net loss.

For the six months ended June 30, 2019, Golden Valley recharged general and administrative expenses to the Company for a total amount of $33,151 (2018 - $67,402), of which $8,340 (2018 - $22,843) was capitalized as Exploration and Evaluation assets and the remaining $24,811 (2018 - $38,886) was recorded in the statement of net loss.

For the three and six months ended June 30, 2019, the Company incurred consultant fees of $6,000 and $12,000 respectively (for the three and six months ended June 30, 2018 - $3,000 and $3,000, respectively) from Golden Valley relating to the services of the Company's CFO.

On January 1, 2018, the Company entered into a Termination Agreement with Golden Valley under which Golden Valley agrees to terminate the Management Agreement in exchange of a settlement fee of $60,000. This amount, including the promissory note of $30,000, has been settled through the issuance of common shares in 2018.

For efficiency reasons, where the Company and Golden Valley are dealing with the same suppliers one may pay for both and be reimbursed by the other. As at June 30, 2019, the Company had a net receivable of $18,470 (December 31, 2018 –$nil) due from Golden Valley.

Transactions with key management

Key management personnel of the Company comprise of the members of the Board of Directors, as well as the President, the Chief Operating Officer ("COO"), the Chief Financial Officer ("CFO") and the Vice-President Exploration ("VP Exploration").

For the three and six months ended June 30, 2019, the Company incurred fees of $24,000 and $48,000 (for the three and six months ended June 30, 2018 - $24,000 and $48,000) with the COO of which $18,000 and $36,000 was capitalized as Exploration and Evaluation asset and $6,000 and $12,000 was recorded under consulting fees in the statement of net loss for the three and six months ended June 30, 2019, respectively. As at June 30, 2019, the amount of $8,000 is due to the COO and is netted of due from related parties.

For the three and six months ended June 30, 2019, the Company incurred fees of $28,827 and $54,915, respectively (for the three and six months ended June 30, 2018 - $7,756 and $19,750, respectively) with the VP Exploration. These fees were recorded under Exploration and Evaluation asset. As at June 30, 2019, the amount of $11,546 is due to the VP Exploration and is netted of due from related parties.

For the three and six months ended June 30, 2018, the Company incurred fees of $7,500 and $15,000 with the former CFO of the Company. These fees are recorded under audit and accounting fees in the interim condensed statement of loss and comprehensive loss.

For the six months ended June 30, 2019, the Company granted stock options to key management personnel to purchase an aggregate 547,263 common shares of the Company. The Company recorded a stock-based compensation of $34,657 as part of this transaction.

For the six months ended June 30, 2018, the Company granted stock options to key management personnel to purchase an aggregate 2,000,000 common shares of the Company. The Company recorded a stock-based compensation of $197,635 as part of this transaction.

Transactions with related parties

For the three and six months ended June 30, 2019, the Company incurred fees of $10,500 (2018 – $6,500) and $21,000 (2018 -$17,000) with an individual, the spouse of the President, as part of a consulting agreement for corporate finance and advisory services. These fees were recorded under consulting fees in the statement of net loss.

For the three and six months ended June 30, 2019, the Company incurred rent and occupancy fees of $5,877 (2018 – $5,715) and $8,877 (2018 - $10,074) with a company controlled by the President of which $2,250 and $4,500 was recorded under Exploration and Evaluation asset and $750 and $1,500 was recorded in the statement of net loss, respectively.

For efficiency reasons, where the Company and related parties are dealing with the same suppliers one may pay for both and be reimbursed by the other. As at June 30, 2019, the Company had receivables of $35,102 (December 31, 2018 –$6,354) of which $18,470 (December 31, 2018 – $nil) was due from Golden Valley, $16,102 (December 31, 2018 – $5,913) due from companies related by common management and $530 (December 31, 2018 – $530) due from a company controlled by the President. In addition , the Company had payables of $23,576 (December 31, 2018 - $20,880) of which $11,546 (December 31, 2018 - $11,641) was due to the VP Exploration of the Company, $8,000 (December 31, 2018 - $nil) is due to the COO and $4,024 (December 31, 2018 - $nil) due from the spouse of the President, as part of a consulting agreement for corporate finance and advisory services.

COMMITMENTS

a) The Company entered into a corporate finance and advisory services consulting agreement with a related party, the spouse of the President, expiring February 5, 2020, which will require total payments of $84,000. The minimum payments for the next years are $42,000 in 2019 and $3,500 in 2020.

b) The Company has entered into a long-term agreement for the lease of an equipment expiring on July 25, 2022, which require total lease payments of $11,768. The minimum lease payments for the next years are $2,769 in 2019, 2020 and 2021 and $1,384 in 2022.

c) The Company has the following commitments in connection with the Option:

Abitibi Greenstone Belt	Exploration work	Issuance of shares
2019	750,000	4,166,667
2020	1,000,000	4,166,667
2021	1,750,000	4,166,667
	$ 3,500,000	12,500,001

d) On March 5, 2019, the Company amended its option agreement on the Boston Bulldog Prospect to extend the deadline to incur minimum exploration and evaluation expenditures of $50,000 to April 7, 2020.

e) The Company has also entered into a consulting agreement with the VP Exploration for a total annual payment of $66,950. This consulting agreement contains change of control provisions. If a change of control would occur, the total amount payable in respect of severance would amount to $200,000 if the consulting agreement is terminated by the Company and $100,000 if the consulting agreement is terminated by the VP Exploration within six months from the date of change of control.

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

The changes in accounting policies including those that have not been adopted are explained in note 4 of the unaudited interim financial statements as at June 30, 2019.

RISKS RELATED TO FINANCIAL INSTRUMENTS

Please refer to Note 19 of the audited financial statements for the year ended December 31, 2018, for a full description of these risks.

RISKS AND UNCERTAINTIES

An investment in the common shares of the Company involves a high degree of risk and must be considered highly speculative due to the financial and operational risks inherent to the nature of the Company's business and the present stage of exploration and development of its mineral resource properties. These risks may affect the Company’s eventual profitability and level of operating cash flow. Prospective buyers of the common shares of the Company should consider the following risk factors:

Climate Change

The Company has its own properties and properties under option agreements in various regions and jurisdictions where environmental laws are evolving and are not consistent. A number of governments or governmental bodies have introduced or are contemplating regulatory changes in response to the potential impact of climate change, such as regulation relating to emission levels. If the current regulatory trend continues, this may result in increased costs directly or indirectly affecting the Company. In addition, the physical effect of climate change, such as extreme weather conditions, natural disasters, resource shortages, changing sea levels and changing temperatures, could have an adverse financial impact on operations located in the regions where these conditions occur, directly or indirectly impacting the business of the Company.

Investment of Speculative Nature

Investing in the Company, at this early stage of its development, is of a highly speculative nature.

Nature of Mineral Exploration and Mining

There is no known mineral resource on the Company's properties. Mineral exploration and development involve a high degree of risk, requires substantial expenditures and few properties that are explored are ultimately developed into producing mines.

Exploration and Development Risks

Resource exploration and development is a speculative business, involving considerable financial and technical risks, including the failure to discover mineral deposits, market fluctuations and government regulations, which are beyond the control of the Company.

Additional Financing

Future exploration and development activities will require additional equity and debt financing. Failure to obtain such additional financing could result in delay or indefinite postponement of exploration and development of the property interests of the Company.

Stress in the Global Economy and Financial Condition

The adverse effects on the capital markets generally make the raising of capital by equity or debt financing much more difficult and the Company is dependent upon the capital markets to raise financing.

Permits and Licenses

There can be no assurances that the Company will be able to obtain all necessary licenses and permits required to carry out exploration, development and mining operations for its proposed projects.

Competition

The mineral exploration and mining business is competitive in all of its phases. There is no assurance that the Company will be able to compete successfully with the competition in acquiring suitable properties or prospects for mineral exploration.

No Assurance of Title to Property

The Company's claims may be subject to prior unregistered agreements or transfers or third party and native land claims and title may be affected by undetected defects.

Dependence on Key Individuals

The Company is dependent on a relatively small number of key personnel, the loss of any one of whom could have an adverse effect on the Company.

Political Regulatory Risks

Any changes in government policy may result in changes to laws affecting the Company's ability to undertake exploration and development activities in respect of present and future properties.

Conflicts of Interest

The directors and officers of the Company are also directors and officers of other companies, some of which are in the same business as the Company. This situation may result in conflicting legal obligations which may expose the Company to liability to others and impair its ability to achieve its business objectives.

Insurance

The Company will remain at risk and will be potentially subject to liability for hazards associated with mineral exploration which it cannot insure against or which it has elected not to insure against because of premium costs or other reasons.

Influence of Third-Party Stakeholders

Claims by third parties on the lands in which the Company holds interests, or the exploration equipment and road or other means of access which the Company intend to utilize in carrying out work programs or general exploration mandates, even if not meritorious, may create delays resulting in significant financial loss and loss of opportunity for the Company.

Fluctuation in Market Value of Shares

The market price of a publicly-traded stock is affected by many variables not directly related to the corporate performance of the entity. The future effect of these and other factors on the market price of Company's shares on the Exchange cannot be predicted.