PHILIPPINE METALS INC.

FORM 51-102F1
MANAGEMENT DISCUSSION AND ANALYSIS

NINE MONTH PERIOD ENDED DECEMBER 31, 2021
(expressed in Canadian Dollars)

1.1 Introduction and Date

The following Interim Management Discussion and Analysis (MD&A) provides a detailed analysis of the business of Philippine Metals Inc. (the "Company") for the nine month period ended December 31, 2021. This MD&A should be read together with the company's condensed consolidated interim financial statements for the nine months ended December 31, 2021 (the "Interim Financial Statements") and related notes attached and the Company's audited consolidated financial statements for the year ended March 31, 2021 and the Management Discussion and Analysis for the year then ended. The Company's annual consolidated financial statements for the year ended March 31, 2021 and the condensed interim consolidated financial statements for the nine months ended December 31, 2021, respectively, have been prepared in accordance with International Financial Reporting Standards ("IFRS").

This MD&A reflects information available as at February 28, 2022. All financial information in this MD&A related to the periods ended December 31, 2021 and December 31, 2020 has been prepared in accordance with IFRS. All amounts are stated in Canadian dollars unless otherwise indicated. The information provided in this document is not intended to be a comprehensive review of all matters and developments concerning the Company. The information contained herein is not a substitute for detailed investigation or analysis on any particular issue. Additional information related to the Company is available for view on SEDAR at www.sedar.com or the Company's website at www.philippinemetals.com.

Management's Responsibility for the Financial Statements

Information provided in this MD&A, including financial information extracted from the Interim Financial Statements, is the responsibility of management. In the preparation of the Interim Financial Statements, estimates are sometimes necessary to make a determination of future value for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying Interim Financial Statements.

Forward Looking Statements

Certain information included in this discussion may constitute forward-looking statements. Statements in this document that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements. Readers are cautioned not to put undue reliance on forward-looking statements.

1.2 Business Overview

Philippine Metals Inc. was incorporated on April 7, 1989 under the laws of the Province of Alberta. On April 17, 2018, the Company was continued into the Province of British Columbia., Canada and is primarily engaged in the exploration and development of resource properties.

The Company trades on the TSX Venture Exchange as a Tier 2 issuer under the symbol "PHI" and also trades on the Frankfurt Exchange under the symbol "PM7". To date, the Company has not earned significant revenues and is considered to be in the exploration stage. Other than its mineral properties described below, the Company has no other properties under development.

The financial statements referenced herein have been prepared in accordance with IFRS with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. Continued operations of the Company are dependent on the Company's ability to complete public equity financing, or to generate profitable operations in the future.

1.3 Overall Performance

Highlights

During the nine month period ended December 31, 2021 the Company:

- Recorded a net loss of $238,910 or $0.00 per share as compared to a net income of $78,903 or $0.01 per share for the period ended December 31, 2020;
- At December 31, 2021, had working capital of $2,355,840, including net available of cash of $78,677 and escrow funds of $2,590,397;

- Issued 150,000 options to a director of the Company;
- Issued 5,180,793 common shares as part of a private placement of units in relation to the reverse takeover transaction, for gross proceeds of $2,590,397, which is held in escrow;
- Issued 5,180,793 warrants to obtain 5,180,793 common shares of the Company, for a period of 18 months from the date of issue as part of a private placement of units in relation to the reverse takeover transaction; and
- Continued to promote discussions to identify potential partners for its Philippine projects.

In view of the continuing challenging operating environment for junior exploration companies, the Company has continued a cautious approach to its ongoing expenditures related to both its properties and general and administrative expenses. The Company continues to explore relationships with potential partners to advance its Philippine projects. Additionally, the Company continues to monitor matters relating to its Malitao and Dilong exploration permit applications but as of yet has been unable to progress matters with the Philippines Mines and Geosciences Bureau (or “MGB”) or other regulatory or legal authorities.

Resignation of President and Director

On May 26, 2021, Marshall Farris resigned as Director and President of the Company.

Proposed Acquisition

On June 16, 2021, the Company entered into a letter of intent with ReVolve Renewable Power Limited ("ReVolve") pursuant to which the parties will, inter alia, negotiate an agreement whereby the Company will acquire all of the outstanding shares of ReVolve in exchange for shares of the Company (see Company News Release dated June 24, 2001). The Acquisition will constitute a reverse takeover ("RTO") under the policies of the TSX Venture Exchange and is an arm's length transaction. On July 6, 2021, the Company further announced that upon completion of the Transaction, Mr. Craig Lindsay, current CEO of the Company, will be appointed to the board of directors of the Resulting Issuer. Further, Ms. Janet Bates, current CFO of the Company, will be the CFO and corporate secretary of the Resulting Issuer.

On July 6, 2021, the Company provided further details on the proposed transaction with ReVolve, announcing that Craig Lindsay, current CEO of the Company will be appointed to the board of directors and Janet Bates, current CFO of the Company will be appointed the chief Financial officer of the Resulting Issuer

On August 17, 2021, the Company announced that it will not be seeking shareholder approval of the Transaction with ReVolve as it has determined that the Company meets the requirements of the TSX Venture Exchange exemption from shareholder approval.

Grant of Stock Options

On September 29, 2021, 150,000 stock options were granted to a director. This stock option grant is subject to approval from the TSX Venture Exchange.

Subsequent Events

On February 7, 2022, the Company signed a Definitive Agreement with ReVolve Renewable Power Limited in connections with its reverse takeover transaction (Note 4). The Transaction is subject to, among other things, the conditional approval of the TSX Venture Exchange.

On February 17, 2022, the Company released on SEDAR, the Filing Statement in connection with its reverse takeover transaction and announced that. TSX Venture Exchange conditionally approved the reverse takeover transaction (Note 4).

The TSX Venture exchange disallowed the issuance of 150,000 stock options to a director of the Company that were previously granted on September 29, 2021.

1.4 Exploration and Evaluation Assets and Activity

As at December 31, 2021, the Company, through its subsidiaries, is primarily operating in the Philippines with respect to two mineral projects (the Malitao and Dilong projects).

Philippines

The Company's current focus continues to be working towards a resolution of the outstanding legal and other issues facing its Malitao and Dilong properties in the Philippines. While the mining industry in the Philippines continues to be a challenging operating environment, management continues to diligently pursue various strategic alternatives to generate value for its shareholders from its Philippine assets. The Company incurred no exploration and evaluation expenditures during the period ended December 31, 2021 and 2020.

For the nine months ended December 31, 2021:

	Consortium (Canada)	Dilong (Philippines)	Malitao (Philippines)	Total
Acquisition costs, March 31, 2020 and June 30, 2020	$ -	$ 1	$ 1	$ 2
Additions during the year	5,000	-	-	5,000
Acquisition costs, March 31, 2021	$ 5,000	$ 1	$ 1	$ 5,002
Write-off of acquisition costs during the period	(5,000)	-	-	(5,000)
Acquisition costs, September 30, 2021	$ -	$ 1	$ 1	$ 2

1.5 Summary of Annual Results

	Year ended March 31, 2021 ($)	**Year ended March 31, 2020 ($)**	**Year ended March 31, 2019 ($)**
Total revenues	Nil	Nil	Nil
Net loss and comprehensive loss	(17,708)	(143,889)	(208,773)
Net loss per share – basic and fully diluted	(0.00)	(0.01)	(0.02)
Total assets	196,932	191,883	67,169
Working capital	73,290	95,998	(18,790)
Long-term and financial liabilities	Nil	Nil	Nil
Shareholders' equity (deficiency)	78,292	96,000	(18,788)

The loss for the year ended March 31, 2021 reflects an increase in general and administrative expenses from the previous year as a result of increased legal fees in relation to unreceived invoices throughout the fiscal year for costs incurred by the Philippine subsidiary, an increase in office and miscellaneous due to increased overall activity and an increase in transfer agent and filing fees as a result of the AGM held in the current year. These costs were slightly offset by a decrease in travel, largely due to COVID 19 restrictions. The loss for the year ended March 31, 2020 reflects an increase in general and administrative expenses from the previous year due to increased activities in the Guernsey subsidiaries as well as transaction and travel costs that were not incurred in the previous year. This is slightly offset by the decrease of management fees to $Nil for the year. The loss for the year ended March 31, 2019 reflects a reduction in general and administrative expenses from the previous year. This is largely due to a reduced payment or accrual of management fees and no stock-based compensation recorded for the year. This reduction is largely offset by a loss on settlement of debt of $96,000 for shares for debt transactions.

1.6 Results of Operations for the Three Months ended December 31, 2021

During the three-month period ended December 31, 2021 the Company recorded a net loss and comprehensive loss of $238,910 or $0.00 per share as compared to a net income and comprehensive income of $78,903 or $0.00 per share for the three-month period ended December 31, 2020. The loss during the period was attributable to general and administrative expenses of $239,423 (2020 - $31,389).

The Company's general and administrative expenses are analysed below:

General and Administrative Expenses	Three months ended December 31, 2021 ($)	Three months ended December 31, 2020 ($)
Accounting and audit fees	8,000	8,000
Administration fees	3,188	9,920
Consulting fees	5,600	-
Legal fees	3,927	8,138
Office and miscellaneous	5,832	1,311
Financing commission fees	140,293	-
Rent and utilities	-	1,800
Telephone	-	286
Transfer agent and filing fees	6,761	1,931
Transaction costs	65,822	-
Total General and Administrative Expenses	239,423	31,386

The general and administrative expenses during the three-month period ended December 31, 2021 of $239,423 (2020 - $31,386 were increased during the period. General and administrative expenses include $65,822 in transaction costs (2020 - $Nil), an decrease in administration fees to $3,188 (2020 - $9,920) due to an decrease in activity in the Guernsey subsidiaries, a decrease in legal fees to $3,927 (2020 – $8,138) due to the majority of legal activity being accounted for in transaction costs, an increase of transfer agent and filing fees to $6,761 (2020 - $1,931) due to the holding of Annual General meeting during the period, a decrease in rent to $Nil (2020 - $1,800), and an increase in office and miscellaneous costs to $5,832 (2020 - $1,311 due to various costs relating to the AGM.

1.7 Results of Operations for the Nine Months ended December 31, 2021

During the nine-month period ended December 31, 2021, the Company recorded a net income and comprehensive income of $319,902 or $0.02 per share as compared to a net loss and comprehensive loss of $319,902 or $0.00 per share for the nine-month period ended December 31, 2020. The income for the nine-month period reflects general and administrative expenses of $317,046, an impairment provision of $5,000 (2020- $Nil), which is slightly offset by foreign exchange gain of $2,138 (2020 - $425).

The Company's general and administrative expenses are analysed below:

General and Administrative Expenses	Nine Months ended December 31, 2021 ($)	Nine Months ended December 31, 2020 ($)
Accounting and audit fees	27,288	24,421
Administration fees	14,158	14,321
Consulting fees	5,600	-
Legal fees	9,193	13,520
Office and miscellaneous	7,612	12,730
Rent and utilities	600	5,700
Financing commission fees	140,293	-
Stock based compensation	7,975	-
Telephone	-	562
Transfer agent and filing fees	15,236	11,585
Transaction costs	89,091	2,295
Travel	-	1,100
Total General and Administrative Expenses	317,046	86,234

The reduction in general and administrative expenses reflects the following significant items:

- Consulting fees of $5,600 (2020 - $Nil) due to the receipt of an historical invoice relating to the consortium transaction due diligence from the prior year that had not been previously recorded;
- A decrease in legal fees to $9,193 (2020 - $13,520) due to legal fees being incurred in relation to the transaction and not general matters;
- A decrease in office & miscellaneous expenses to $9,193 (2020 - $12,730) due to decreased activity within the period overall;
- An decrease in rent to $600 (2020 - $5,700) due to the rental contract being terminated for the head office;
- Financing commission fees of $140,293 (2020 - $Nil) in relation to the private placement completed within the period;
- Stock based compensation of $7,975 (2020 - $Nil) due to a grant of stock options to a director of the company;
- An increase in transfer agent and filing fees of $15,236 (2020 - $11,585) due to the increased activity for the share issuance within the period; and
- An increase in transaction costs to $89,091 (2020 - $2,295) due to the an increase in activity in relation to reverse takeover transaction activity.

As at December 31, 2021, the Company had total assets of $2,705,484 compared to $196,932 as at March 31, 2021. The significant majority of the Company's asset value is represented by the carrying value of the Company's cash and receivables.

As at December 31, 2021, the Company had working capital of $2,355,840 as compared with working capital of $73,290 as at March 31, 2021. The Company's working capital as at December 31, 2021 includes accounts payable and accrued liabilities of $335,992 (March 31, 2021 - $113,915) and accounts payable to related parties of $13,650 (March 31, 2021 – $4,725), which is offset by current assets of $2,705,482 (March 31, 2021 – $196,930) including cash of $78,677 (March 31, 2021 - $163,015). The increase in working capital is due to the private placement financing that took place during the period resulting in proceeds of $2,590,397 which was offset by general and administrative expenses of $317,046 (2020 - $86,234).

1.8 Summary of Quarterly Results

Selected information derived from the Company's unaudited interim financial statements for the past eight quarters is as follows:

		Three Months Ended December 31, 2021		Three Months Ended September 30, 2021		Three Months Ended June 30, 2021		Three Months Ended March 31, 2021
Total revenues	$	Nil	$	Nil	$	Nil	$	Nil
Net loss and comprehensive loss		238,910		(53,525)		(27,468)		(41,903)
Total assets		2,705,484		123,556		160,772		196,932
Working capital		2,355,840		5,272		50,824		73,290
Long-term liabilities		-		-		-		-
Net loss profit per share – basic and diluted		(0.00)		(0.00)		(0.00)		(0.00)

		Three Months Ended December 31, 2020		Three Months Ended September 30, 2020		Three Months Ended June 30, 2020		Three Months Ended March 31, 2020
Total revenues	$	Nil	$	Nil	$	Nil	$	Nil
Net loss and comprehensive loss		78,903		(17,298)		(37,410)		(36,303)
Total assets		228,267		135,615		182,683		191,883
Working capital (deficiency)		120,194		41,290		58,588		95,998
Long-term liabilities		-		-		-		-
Net income (loss) per share – basic and diluted		0.00		(0.00)		(0.00)		(0.00)

The increase in the loss for the quarter ended March 31, 2019 is largely attributed to a loss on settlement of debt of $96,000, which was offset by a reduction in accounting and audit fees to $15,000 (2018 - $24,651), a reduction in legal fees to $106 (2018 - $4,872), and a reduction in office and miscellaneous expenses to $386 (2018 - $2,768). The loss reflected in the period ended June 30, 2019 is attributed to general and administrative expenses which include $4,225 (2018 - $Nil) in travel expenses in relation to the private placement financing and an increase in administration fees to $4,903 (2018 - $2,496), which is offset by a decrease in legal fees to $3,084 (2018 - $6,297). The net loss for the period ended September 30, 2019 is attributed to general and administrative expenses of $59,737 which includes transaction costs of $32,188 (2018 - $Nil). As previously noted, the Company is seeking reimbursement of $25,000 of these transaction costs from Labtronix. The net loss for the period ended December 31, 2019 is attributed to general and administrative expenses of $21,718, which includes $5,073 in transaction costs (2018 - $Nil) and administration fees of $3,208 (2018 - $1,500), which was offset by legal fees of $851 (2018 - $6,878), and accounting and audit fees of $8,000 (2018 - $10,957). The net loss for the period ended March 31, 2020 is attributed to general and administrative expenses of $36,713 which includes an increase in administration fees to $15,080 (2019 - $13,291) and an increase in legal fees to $2,980 (2019 - $106). The increase in the net loss for the period ended June 30, 2020 is largely due to the costs associated to the Annual General Meeting that was held during the period, including transfer agent fees, printing & mailing out of material which were represented in office & miscellaneous fees of $10,891 (2019 - $1,789) and transfer agent fees of $8,344 (2019 - $2,680). In addition, there was an increase of legal fees of $5,088 (2019 - $3,084) and transaction costs of $1,236 (2019 - $Nil), as a result of the proposed transaction with Bravo Zulu. The decrease in the net loss for the period ended September 30, 2020 is largely due to a decrease in transaction costs to $1,059 (2019 - $32,188), administrative fees to $2,379 (2019 – 7,252), legal fees to $294 (2019 – $5,087) and transfer agent fees to$1,309 (2019 - $4,718) in relation to the transaction costs incurred in the prior year quarter. This is slightly offset by an increase in rent to $3,000 (2019 - $900). The net income for the period ended December 31, 2020 is the result of transaction fee income of $110,000 (2019 - $Nil) which includes $85,000 cash and 100,000 common shares valued at $25,000, which was offset by general and administrative expenses of $31,386 (2019 - $21,718), which were an increase from the previous year as a result of the holding of the annual general meeting of the Company. The net loss for the period ended March 31, 2021 was similar to the previous year with costs allocated differently than the previous year period with an increase in legal fees for the quarter, office and miscellaneous $12,587 (2020 - $4,222), rent and utilities of $7,500 (2020 - $3,600) legal fees of $23,187 (2020 - $12,002) and transfer agent fees of $19,943 (2020 - $15,955). The loss for the period ended June 30, 2021 was lower than the previous year period mainly due to Office and Miscellaneous being $349 (2020 - $10,891) and Transfer Agent fees were $3,110 (2020 - $8,344, largely due to the Annual General Meeting being held in the prior year period. There was also a decrease in Transaction costs and Travel expenses of $Nil (2020 - $1,236) and $Nil (2020 - $1,100), respectively. This was slightly offset by Administration fees of $6,712 (2020 - $2,023). The net loss for the period ended September 30, 2021 is largely attributed to an increase in transaction costs to $23,269 (2020 - $2,295) as the Company moves forward with the RTO with ReVolve, an increase in Administration fees to $10,971 (2020 - $4,402) as a result of increased administration for the sale of the Philippine subsidiary and stock-based compensation of $7,975 (2020 -$Nil) due to the grant of stock options to a director of the Company. The net loss for the period ending December 31, 2021 was due to an increase in consulting fees of $5,600 (2020 - $Nil) due to an historical invoice for the previous year's Consortium transaction, and increase in office & miscellaneous fees of $5,832 (2020 - $1,311) as a result of increased activity for the AGM and other transaction relate items, financing commission fees of $140,293 (2020 - $Nil) due to the financing that took place in relation to the reverse takeover transaction, and transaction costs of $65,822 (2020 - $Nil) in relation to the reverse takeover transaction, and increase in transfer agent fees of $6,761 (2020 - $1,931) as a result of the holding of the annual general meeting and the private placement financing.

1.9 Liquidity and Capital Resources

As at December 31, 2021, the Company had working capital of $2,355,840 (year ended March 31, 2021 – $73,290) including cash of $78,677 (year ended March 31, 2021 - $163,015). The working capital increased is attributed to general and administrative expenses which were largely offset by private placement income of $2,590,397 (2020 - $Nil).

	December 31, 2021	March 31, 2021
Cash	$ 78,677	$ 163,015
Working capital	2,355,840	73,290
Shareholders' equity	2,355,842	78,292

The Company currently has no operating revenues other than interest income but has been successful in meeting its acquisition and exploration capital and other operational funding requirements by completion of equity placements. The Company is considered to be in the exploration stage. Thus, it is dependent on obtaining regular financings in order to continue its exploration programs. Despite success in completing these financings, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. If adequate financing is not available when required, the Company may be required to delay, scale back or eliminate various programs and may be unable to continue in operation.

The Company expects to incur further losses in the development of its business, all of which cast substantial doubt on the Company's ability to continue as a going concern. The Company will require additional financing in order to meet its ongoing levels of corporate overhead and discharge its liabilities as they come due. While the Company has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future.

The Company will require further funds to cover its general and administrative expenses for the next 12 months. The Company may seek such additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests.

1.10 Off-Balance Sheet Arrangements

The Company has no-off balance sheet arrangements other than what is reported in the Interim Financial Statements. The Company`s off-balance sheet commitments are related to its mineral properties detailed in Note 6 to the Interim Financial Statements.

In accordance with the Dilong Deed of Assignment, monthly payments of US$2,500 are payable to the original Dilong EPA holders (the "Heirs") until the Dilong EPA is approved by the DENR. However, the total cumulative amount of such monthly payments is to be recognized as a deduction against a US$25,000 payment due when the DENR approves the Dilong EPA. In view of the actions taken by the DENR to cancel the Dilong EPA, the Company initiated discussions with the Heirs in early 2013 to amend and clarify the payments due pursuant to the Dilong Deed of Assignment. Accordingly, in February 2013, the Company suspended any further monthly payments pending the outcome of the discussions to amend the Deed of Assignment. The Company has presented to and discussed proposals with the Heirs but no amendment has been agreed nor are there any ongoing discussions currently.

The Company is also required to make all payments necessary to maintain the Suhi tenements in good standing, including any permit renewal or other required expenditures, otherwise ownership of the tenement EPs reverts back to the original holder of the tenement EPAs. On October 27, 2015, the Company provided formal and final notification to Citygroup Philippines Corporation ("Citygroup") and Canaan Richfield Inc. ("CRI") that following offers being made to return to them the Taurus and Suhi EPs and tenement rights, respectively, the Company would allow the exploration permits to expire unless Citygroup and CRI cooperated to effect the transfers of the properties in a timely manner. To date, this transfer has not occurred. The Company is unable to determine if there are any further costs associated with the return of the properties and has not accrued any related amounts in the Interim Financial Statements during the period ended December 31, 2021.

In addition, in respect of the granting of the Malitao and Dilong Project exploration permits the following payments would also become due:

- Malitao Project – a lump-sum equal to US$275,000 less the cumulative balance of monthly payments made previously payable upon the granting of the exploration permit. As at June 30, 2013, the Company had made monthly payments totalling US$275,000. Subsequent equal instalments ($91,666.67, less any monthly instalments paid) are due on the first, second and third anniversary of the granting of the exploration permit totalling US$275,000 in aggregate; and
- Dilong Project – US$25,000 per year on each anniversary date of the granting of the exploration permit up to a maximum of US$375,000. Monthly payments outlined above terminate at the time the exploration permit is granted (pending the outcome of discussions to amend the Deed of Assignment).

1.11 Transactions with Related Parties

During the nine-month periods ended December 31, 2021, the Company entered into the following transactions with related parties:

a) Purchase of services:

	December 31, 2021	December 31, 2020
Paid and accrued accounting and administrative services to the CFO of the Company	$ 13,500	$ 13,500

b) Accounts payable to related parties:

	December 31, 2020	March 31, 2021
Key management or companies controlled by them for rent administration fees, accounting fees and related out-of-pocket expenses	$ 13,650	$ 4,725

Amounts due to related parties are due to officers and companies controlled by directors and officers, are unsecured, are non-interest bearing and have no specific terms of repayment.

1.12 Outstanding Share Data

The following table summarizes the outstanding share capital as of the date of this MD&A:

	Number of shares issued or issuable
Common shares	25,299,131
Preferred shares	-
Stock options	850,000
Warrants	5,180,793

Escrowed Shares

As at December 31, 2021, there were 562,500 shares issued to Metex as consideration for the Malitao and Dilong exploration permit applications ("EXPAs”) held in escrow to be released to Metex upon approval by the Department of Environmental and Natural Resources of the EXPAs. These shares have been released from escrow and the Company is in the process of cancelling these shares.

1.13 Financial Risk Management and Financial Instruments

Financial risk factors

The Company’s activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk and price risk), credit and liquidity risk. There have been no changes in the risk management approach or in any risk management policies during the period ended December 31, 2021.

The Company’s Interim Financial Statements do not include all financial risk management information and disclosures required in the annual financial statements; the Interim Financial Statements and this MD&A should be read in conjunction with the Company’s annual financial statements for the year ended March 31, 2021.

There have been no changes in the risk management approach or in any risk management policies since the year end.

Fair value estimation

The Company's financial instruments consist of cash, receivables, investments, accounts payable and accrued liabilities and accounts payable to related parties. The fair values of the Company's receivables, accounts payable and accrued liabilities, and accounts payable to related parties approximate their carrying values due to the short-term nature of these instruments.

The fair values of cash and restricted cash are based on level 1 inputs of the fair value hierarchy.

1.14 Critical Accounting Estimates and Judgements and New Accounting Policies

Accounting policies

The Interim Financial Statements have been prepared in accordance with IAS 34, "Interim financial reporting". The Interim Financial Statements should be read in conjunction with the annual financial statements for the year ended March 31, 2018, which have been prepared in accordance with IFRSs.

The accounting policies adopted in the Interim Financial Statements are consistent with those adopted in the previous financial year ended March 31, 2021.

New Standards, interpretations and amendments adopted

A number of new standards, amendments to standards and interpretations applicable to the Company are not yet effective for the year ending March 31, 2022 and have not been applied in preparing these financial statements. The new and revised standards are as follows:

- IAS 16 – Property, Plant and Equipment: The amendment to IAS 16 prohibits deducting from the cost of property, plant and equipment amounts received from selling items produced while preparing the asset for its intended use. Instead, a company will recognize such sale proceeds and related cost in profit or loss. It is effective for annual periods beginning on or after January 1, 2022 with early adoption permitted. Management has estimated that the standard will not have an impact on the Company's financial statements.

1.15 Risk Factors

Readers should carefully consider the Risk Factors as set out in the Company's MD&A for the year ended March 31, 2020 (available on the SEDAR website at www.sedar.com), before deciding whether to invest in the common shares of the Company.

In addition, the reader's attention is directed to the going concern risk highlighted in Note 1 of the Interim Financial Statements and in the "Liquidity and capital resources" section of this MD&A.

The operations of the Company are speculative due to the high risk nature of its business which includes the acquisition, financing, permitting, exploration, development of mining properties. These risk factors could materially affect the Company's future operations and could cause actual events to differ materially from those described in forward-looking statements relating to the Company The risks and uncertainties incorporated in this section by reference are not inclusive of all the risks and uncertainties the Company may be subject to, and other risks may apply, but are considered by management to be the most important in the context of the Company's business.

1.16 Internal and Disclosure Controls over Financial Reporting

The Alberta Securities Commission in which the Company is registered has exempted Venture Issuers from certifying disclosure controls and procedures, as well as, Internal Controls of Financial Reporting as of December 31, 2007, and thereafter. Since the Company is a Venture Issuer, it is now required to file basic certificates, which it has done for the nine-month period ended December 31, 2021. The Company makes no assessment relating to the establishment and maintenance of disclosure controls and procedures as defined under Multilateral Instrument 52-109 as at December 31, 2021.

1.17 Outlook

The Company's primary focus for the foreseeable future will be to complete the reverse takeover transaction with ReVolve announced on June 24, 2021.