GOLDSTAR MINERALS INC.

Management's Discussion and Analysis

For the three months ended March 31, 2021

The following Management's Discussion and Analysis ("MD&A") was prepared as at May 20, 2021 and provides a discussion and analysis of the financial condition and results of operations for the period ended March 31, 2021. This discussion should be read in conjunction with the Company's first quarter 2021 unaudited condensed interim financial statements and accompanying notes, and the audited annual financial statements and accompanying notes for the year ended December 31, 2020 and the related annual MD&A. The Company's first quarter 2021 unaudited condensed interim financial statements and the accompanying notes have been prepared in accordance with International Financial Reporting Standards ("IFRS") and with International Accounting Standard ("IAS") 34, *Interim Financial Reporting* as issued by the International Accounting Standards Board ("IASB") and using the accounting policies described therein.

References to the first, second, third and fourth quarters refer to the three months ended March 31, June 30, September 30 and December 31 of the respective years.

Unless context in the MD&A otherwise specifies, references made to "Goldstar" or the "Company" refers to Goldstar Minerals Inc. Goldstar is listed on the TSX Venture Exchange and trades under the symbol "GDM".

All amounts included in the MD&A are in Canadian dollars, unless otherwise specified. The Company's public filings can be reviewed under the Company's profile on the SEDAR website (www.sedar.com).

Benoit Moreau P.Eng., is a Qualified Person as defined by National Instrument 43-101 and has reviewed and approved the scientific and technical disclosure in this MD&A.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

The information presented contains "forward-looking information" under applicable Canadian legislation, concerning the business, operations and financial performance and condition of the Company. Forward-looking information include, but are not limited to, statements with respect to the estimation of mineral reserves and mineral resources; the realization of mineral reserve estimates; the timing and amount of estimated future exploration; costs of exploration; metal prices and demand for materials; capital expenditures; success of exploration and development activities; permitting time lines and permitting, mining or processing issues; government regulation of mining operations; environmental risks; and title disputes or claims. Generally, forward-looking statements and forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects", "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", "does not anticipate",, "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", "will be taken", "occur", or "be achieved". Forward-looking information is based on the opinions and estimates of management as of the date such statements are made, and they are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including, but not limited to, unexpected events during operations; variations in ore grade; risks inherent in the mining industry; delay or failure to receive board approvals; timing and availability of external financing on acceptable terms; risks relating to international operations; actual results of exploration activities; conclusions of economic valuations; changes in project parameters as plans continue to be refined; and fluctuating metal prices and currency exchange rates. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information that is incorporated by reference herein, except in accordance with applicable securities laws.

Investors are advised that National Instrument 43-101 of the Canadian Securities Administrators requires that each category of mineral reserves and mineral resources be reported separately. Mineral resources that are not mineral reserves have not demonstrated economic viability.

THE COMPANY

Goldstar Minerals Inc. is a public Canadian natural resource exploration and development company. The Company is focused on developing deposits that contain gold and technology metals in leading mining jurisdictions in Canada. The Company holds five mining properties, these being the Anctil Property, Nemenjiche Property, Fortune Property, and Panache North Property located in the Province of Québec, and the Prince Property located in the province of Newfoundland.

OVERVIEW AND OUTLOOK

An outbreak of a new strain of coronavirus (COVID-19) resulted in a major global health crisis which continues to have impacts on the global economy and the financial markets at the date of completion of the financial statements.

These events are likely to cause significant changes to the assets or liabilities in the coming year or to have a significant impact on future operations. Following these events, the Company has taken and will continue to take action to minimize the impact. However, it is impossible to determine the financial implications of these events for the moment.

In March 2021, the Company has applied for and has received an additional $20,000 under the Canada Emergency Business Account. The Company will use these funds for working capital purposes.

In May 2021, the Company began the process of a non-brokered private placement. Pursuant to the terms of the offering, the private placement will consist of a maximum of 4,000,000 flow-through common shares to be issued at a price of $0.18 per share. The maximum gross proceeds to be raised is $720,000. In respect of subscriptions sourced by an eligible finder, the Company will issue to the finder common shares equal to 8% of the number of flow-through shares subscribed.

In the fall of 2020, the Company completed a prospecting campaign on both the Anctil and Nemenjiche properties stretching on both sides of the presumed position of the Druillettes syncline. In addition, the Company completed an airborne geophysics survey on both the Anctil and Nemenjiche properties. A total of 1,095 line kilometres were flown, 517 line kilometres for Anctil and 578 line kilometres for Nemenjiche. This work has allowed the Company to refine its targets. The Company has completed permitting on the Anctil property and the Company expects to begin its first phase diamond drilling program in late May or early June. A total of 2,500 metres consisting of 10 to 12 holes are budgeted for this upcoming program.

ANCTIL AND NEMENJICHE OPTION AGREEMENT:

On December 10, 2019, the Company entered into a Mineral Option and Purchase Agreement ("Option Agreement") with Les Ressources Tectonic Inc. (the "Owner") with respect to the Anctil and Nemenjiche Properties (the "Optioned Properties"). The Option Agreement provides for the acquisition of an undivided interest of 100% in the Optioned Properties by paying the Owner in the aggregate an amount of $570,000 in cash payments and by incurring in the aggregate an amount of $2,200,000 in exploration expenditures over a three-year period, according to the following schedule. To date, the Owner has received cash payments of $150,000 and the Company has incurred its minimum commitment of $300,000 of exploration expenditures.

Date	Cash Payments	Exploration expenditures to be incurred
February 15, 2020	$50,000	-
December 10, 2020	$100,000	$300,000
December 10, 2021	$120,000	$700,000
December 10, 2022	$300,000	$1,200,000
Total	$570,000	$2,200,000

Upon exercise of the Option, Goldstar shall grant to the Owner a net smelter return royalty ("NSR") of 2% from production derived from the Properties of which royalty 100% can be purchased back by Goldstar for cancelation at any time by paying to the Owner the amount of $5,000,000. Until the Option Agreement is exercised or terminated, Goldstar shall solely fund any exploration expenditures on the Properties.

ANCTIL PROPERTY:

The Anctil property consists of a total of 66 claims. The property comprises a 100% interest in 35 claims covering approximately 1,953 hectares (19.53 km^2) which were acquired by staking, and an option on 31 claims (the "Optioned Properties") pursuant to the Option Agreement described above, covering an area of approximately 1,731 hectares (17.31 km^2). As per the Option Agreement, since the staked claims were staked within 5 km of the Optioned Properties, these claims are subject to the agreement.

In the fall of 2020, the Company completed a detailed lithogeochemical survey and mapping work on the Anctil property. The prospecting campaign covered a target area of approximately 5 square kilometres. Mapping and detailed outcrop sampling was conducted systematically. This field work confirmed the presence of several structures including northeast trending faults and mostly east-west shear zones. Sulfide mineralization was found associated with some of the structures. Prospecting efforts have resulted in 144 samples being collected and sent for gold assay. Assay results returned fifteen (15) outcrop samples that returned anomalous values up to 128 ppb Au (0.13 g/t Au) as shown in the following table:

Range of values(ppb Au)*	Number of Anomalous samples
10-19	7
20-29	3
30-39	1
>40	4

*Analyses were performed by AGAT Laboratories on 50 g charge sample using Fire Assay with an AAS finish

Most of these anomalous samples were gathered several hundred meters south of an altered tonalite intrusion intersected by historical drilling. The prospecting campaign outlined a new target area of approximately 1 kilometer long by 0.8 kilometer wide south of Anctil Lake. This target area, where almost no drilling was performed in the past, is open both to the west and the east, and additional prospecting would be needed to confirm its extent.

Historical drilling done in 1987 by Argentex Resource Exploration Corp., returned in hole LA-87-6 values of up to 3.5 g/t Au over 0.9 m between 101.6 and 102.5 m and up to 36.1 g/t Au over 0.9 m from 127.9 to 128.8 m in the surrounding host rocks consisting of mafic and felsic volcanic rocks, less than 25 meters away from the altered tonalite and host rocks contact. Hole LA-87-6 is reported to have a total length of 134 m and is believed to have tested the northern edge of the new target area that extends a few hundred meters to the south.

The Company cautions that these gold values are historical in nature and, thus, not NI 43-101 compliant. In addition, these values may not be representative of the mineralization that may be present on the property.

The Company completed a detailed airborne geophysics survey. The airborne campaign flew 517 line kilometres. The survey was helicopter borne VTEM and included horizontal magnetic gradiometer. VTEM is a very useful and high-accuracy technology for mapping lateral and vertical variations in resistivity. Potential shear-hosted gold targets that are structurally controlled and marked by magnetic lows can be successfully identified by the horizontal magnetic gradiometer.

Both the prospecting campaign and the airborne geophysics survey identified potential targets. The Company has completed permitting on the Anctil property and the Company expects to begin its first phase diamond drilling program in late May or early June. A total of 2,500 metres consisting of 10 to 12 holes are budgeted for this upcoming program.

NEMENJICHE PROPERTY:

The Nemenjiche property consists of a total of 72 claims. The property comprises a 100% interest in 30 claims covering approximately 1,679 hectares (16.79 km^2) which were acquired by staking, and an option on 42 claims (the “Optioned Properties”) pursuant to the Option Agreement described above, covering an area of approximately 2,351 hectares (23.51 km^2). As per the Option Agreement, since the staked claims were staked within 5 km of the Optioned Properties, these claims are subject to the agreement.

In the fall of 2020, the Company completed an initial lithogeochemical survey on the Nemenjiche property, covering a target area of approximately 6 square kilometres, allowing for systematic sampling and mapping of outcrops. Several structures containing sulfide mineralization have been discovered. Prospecting efforts have resulted in 130 samples which were sent for assay. The assays revealed few surface anomalies.

The Company also completed a detailed airborne geophysics survey. The airborne campaign flew 578 line kilometres. The survey was helicopter borne VTEM and included horizontal magnetic gradiometer. VTEM is a very useful and high-accuracy technology for mapping lateral and vertical variations in resistivity. Potential shear-hosted gold targets that are structurally controlled and marked by magnetic lows can be successfully identified by the horizontal magnetic gradiometer.

Additional prospecting is warranted in the northern and southern parts of the property as well as for some discrete magnetic anomalies outlined in the recent airborne survey, representing one month of field work.

FORTUNE PROPERTY:

The Fortune property comprises a 100% interest in a total of 101 claims covering approximately 5,714 hectares (57.14 km^2). The Fortune property is located in the Gaspé Peninsula of Québec, with direct access to most of the property by Highway 132 and a network of maintained roads. The Company recently acquired this property and is identifying the next necessary steps to be taken.

PANACHE NORTH PROPERTY:

The Panache North property comprises a 100% interest in a total of 4 claims covering approximately 225 hectares (2.25 km^2). The Panache North property is located in the Windfall Lake (Urban Barry) area of Québec. The Company recently acquired this property and is identifying the next necessary steps to be taken.

PRINCE PROPERTY:

The Prince property comprises a 100% interest in a total of 2 licenses covering approximately 125 hectares (1.25 km^2). The Panache North property is located in Newfoundland. The Company recently acquired this property and is identifying the next necessary steps to be taken.

SUMMARY OF QUARTERLY RESULTS

	Net Income (Loss)	Basic and diluted earnings (loss) per share
March 31, 2021	(191,212)	(0.01)
December 31, 2020	(2,972,262)	(0.13)
September 30, 2020	207,897	0.01
June 30, 2020	(33,444)	(0.01)
March 31, 2020	(90,042)	(0.01)
December 31, 2019	(94,844)	(0.01)
September 30, 2019	(44,230)	(0.01)
June 30, 2019	(141,463)	(0.01)

LIQUIDITY AND CAPITAL RESOURCES

The Company finances its operations mainly through the sale of its shares.

As at March 31, 2021, the Company had cash and cash equivalents of $177,817 compared to $296,039 as at December 31, 2020. There was a working capital surplus as at March 31, 2021 of $89,980 compared to $156,789 at December 31, 2020.

On March 9, 2021, the Company received an additional $20,000 loan as part of the Canada Emergency Business Account. This loan is interest free, with a $10,000 forgiveness benefit if repaid by December 31, 2022. If the loan is not repaid by then, it will be extended an additional 3 years until December 31, 2025 with an interest rate of 5% per annum. It can be repaid at any time. The Company has received an aggregate of $60,000 under the Canada Emergency Business Account.

As the Company does not have sufficient financial resources to cover its budgeted general administrative expenses and to meet its short-term obligations for the next twelve months, and to complete its planned 2021 calendar year exploration budget, the Company intends to raise additional financing in 2021. While the Company has been successful in securing financing, raising additional funds is dependent on a number of factors outside the Company's control, and as such there is no assurance that it will be able to do so in the future.

As discussed under the "Overview and Outlook" section, in May 2021, the Company began the process of a non-brokered private placement. Pursuant to the terms of the offering, the private placement will consist of a maximum of 4,000,000 flow-through common shares to be issued at a price of $0.18 per share. The maximum gross proceeds to be raised is $720,000. In respect of subscriptions sourced by an eligible finder, the Company will issue to the finder common shares equal to 8% of the number of flow-through shares subscribed.

RESULTS OF OPERATIONS

<u>For the period ended March 31, 2021 compared to the period ended March 31, 2020:</u>

The Company recorded a loss of ($191,212) or ($0.01) loss per share for the three-month period ended March 31, 2021 compared to a loss of ($90,042) or ($0.01) loss per share for the period ended March 31, 2020. Expenses for the period ended March 31, 2021 amounted to $203,826 compared to $78,621.

The increase in expense originates from non-cash share-based payments of $163,036 incurred in 2021. Excluding the share-based payments, there was a decrease in expense originating from a decrease of $37,827 in general and administrative expenses. This decrease was mainly due to a reduction in corporate salaries, investor and shareholder relations, as well as rent.

The Company holds 23,858 common shares of Lucky Minerals Inc. ("Lucky") (2020 – 23,858). At March 31, 2021, these shares had a fair market value of $1,789 and the company recorded a non-cash change in fair value of said securities of $716.

During the period, Goldstar spent $47,654 (2020 - $83,601), before write-offs, tax credits and government grants, on mining properties and exploration and evaluation assets. The table below details the nature of expenditures.

	Anctil Property Québec	Nemenjiche Property Québec	Fortune Property Québec	Panache North Property Québec	Prince Property Newfoundland	Total
	$	$	$	$	$	$
Mining properties						
Balance, December 31, 2020	66,896	88,259	55,168	21,810	10,905	243,038
Acquisition costs	-	-	169	75	-	244
Balance, March 31, 2021	66,896	88,259	55,337	21,885	10,905	243,282
Exploration and evaluation assets						
Balance, December 31, 2020	191,859	227,092	-	-	-	418,951
Geophysics	4,237	3,993	-	-	-	8,230
Consultant fees	25,560	13,620	-	-	-	39,180
Balance, March 31, 2021	221,656	244,705	-	-	-	466,361

	Lake George Property New Brunswick	Victoria Lake Property New Brunswick	Anctil Property Québec	Nemenjiche Property Québec	Total
	$	$	$	$	$
Mining properties					
Balance, December 31, 2019	506,449	121,850	2,284	1,958	632,541
Option payments	-	-	28,767	21,233	50,000
Claim staking and renewal	600	-	250	-	850
Balance, March 31, 2020	507,049	121,850	31,301	23,191	683,391
Exploration and evaluation assets					
Balance, December 31, 2019	1,926,984	97,638	9,922	174	2,034,718
Geophysics	-	2,401	-	-	2,401
Assays	1,742	-	-	-	1,742
Salaries	247	-	28,361	-	28,608
Mining and resource tax credits	-	-	(10,251)	-	(10,251)
Balance, March 31, 2020	1,928,973	100,039	28,032	174	2,057,218

CASH FLOWS

Cash flows used in operating activities were $83,557 during the period ended March 31, 2021 compared to $29,382 for the period ended March 31, 2020.

Cash used in investing activities was $44,665 during the period ended March 31, 2021 compared to $55,458 for the period ended March 31, 2020.

Cash flows from financing activities were $10,000 during the period ended March 31, 2021 compared to $21,000 for the period ended March 31, 2020.

TRANSACTIONS WITH RELATED PARTIES

Transactions with key management personnel

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

An officer and a director of the Company is a partner of Colby Monet L.L.P., a law firm which has rendered legal and consulting services in the amount of nil (2020 - nil), charged to professional and consulting fees, nil (2020 – nil) with respect to financing charged to share issue expenses, totaling an aggregate amount of nil (2020 - nil). As at March 31, 2021, the accounts payable include nil (2020 - $66,165) owed to this legal firm.

These transactions, made in the normal course of business, were measured at the exchange amount, which is the amount established and agreed to by the parties.

OUTSTANDING SHARE DATA

The authorized share capital of the Company consists of an unlimited number of common shares of which 22,212,593 were issued and outstanding as at May 20, 2021. As of such date, the Company also had outstanding options to purchase a total of 1,712,497 shares ranging from $0.16-$1.00 per share and warrants to purchase a total of 5,426,924 shares ranging between $0.15-$0.50 per share.

CAPITAL MANAGEMENT

The capital of the Company consists of its share capital, options and warrants. The Company manages and adjusts its capital structure based on available funds in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather, relies on the expertise of the Company's management to sustain future development of the business.

The properties in which the Company currently has an interest are in the exploration and evaluation stage; as such, the Company is dependent on external financing to fund its activities. In order to carry out planned exploration and development, and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. The Company will continue to assess new properties and seek to acquire an interest in properties with sufficient geologic or economic potential 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 size of the Company, is reasonable. There were no changes in the Company’s approach to capital management during the periods ended March 31, 2021 and 2020. The Company is not subject to externally imposed capital requirements.

CRITICAL ACCOUNTING ESTIMATES

The preparation of annual financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are as follows:

-Going concern;

-Recognition and measurement of refundable credits on mining duties and tax credits related to resources;

-Recoverability of mining properties and exploration and evaluation assets;

-Measurement of the compensation warrants

NEW ACCOUNTING STANDARDS ISSUED BUT NOT YET ADOPTED

The Company has not yet adopted certain standards, interpretations to existing standards and amendments which have been issued but have an effective date of later than the reporting period. These updates are not expected to have a significant impact on the Company and are therefore not discussed herein.

DISCLOSURE CONTROLS AND PROCEDURES

The Chief Executive Officer and the Chief Financial Officer of the Company have evaluated the effectiveness of the Company's disclosure controls and procedures as of March 31, 2021. Based on that evaluation, the officers have concluded that as at that date, such disclosure controls and procedures contain a material weakness due to inadequate segregation of duties between the authorization, recording, review and reconciliation of purchases and sales and recording of cash receipts and bank account reconciliations. This material weakness has the potential to result in a material misstatement in the Company's financial statements, and should also be considered a material weakness in its internal control over financial reporting. The management and board of directors have concluded and agreed that, taking into account the present stage of the Company's development and the best interests of its shareholders, the Company does not have sufficient size and scale to warrant the hiring of additional staff to correct this weakness at this time.

INTERNAL CONTROL OVER FINANCIAL REPORTING

The Chief Executive Officer and the Chief Financial Officer of the Company have designed, or have caused to be designed under their supervision, internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS. The Chief Executive Officer and the Chief Financial Officer have evaluated the effectiveness of the Company's internal control over financial reporting as at March 31, 2021. Based on that evaluation, the officers have concluded that as at that date, such internal control over financial reporting contains a material weakness due to inadequate segregation of duties as previously mentioned in "Disclosure controls and procedures". The management and board of directors have concluded and agreed that, taking into account the present stage of the Company's development and the best interests of its shareholders, the Company does not have sufficient size and scale to warrant the hiring of additional staff to correct this weakness at this time.

There has been no change in the Company's internal control over financial reporting that occurred during the period beginning on January 1st, 2021 and ended March 31st, 2021 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

FINANCIAL INSTRUMENTS

Financial assets and financial liabilities as at March 31, 2021 and December 31, 2020 were as follows:

March 31, 2021	Amortized cost	Fair value through profit or loss	Amortized cost	Total
Cash and cash equivalents	177,817			177,817
Other receivables (except sales taxes and tax credits receivable)	1,089			1,089
Marketable securities		1,789		1,789
Accounts payable and accrued liabilities (except employee compensation payable)			65,178	65,178
Loan payable			33,603	33,603
December 31, 2020	Amortized cost	Fair value through profit or loss	Amortized cost	Total
Cash and cash equivalents	296,039			296,039
Other receivables (except sales taxes and tax credits receivable)	1,495			1,495
Marketable securities		2,505		2,505
Accounts payable and accrued liabilities (except employee compensation payable)			117,673	117,673
Loan payable			24,582	24,582

The Company's risk exposures and the impact on the Company's financial instruments are summarized below. There have been no changes in the risks, objectives, policies and procedures from the previous year.

Fair Value

In establishing fair value, the Company uses a fair value hierarchy based on levels as defined below:

- Level 1: defined as observable inputs such as quoted prices (unadjusted) in active markets.
- Level 2: defined as inputs other than quoted prices included in Level 1, that are either directly or indirectly observable.
- Level 3: defined as inputs that are based on little or no observable market data, therefore requiring the Company to develop its own assumptions.

FINANCIAL RISK FACTORS

The Company is exposed to various financial risks resulting from both its operations and its investment activities as well as external factors out of its control. The Company's management monitors financial risks. The Company does not enter into financial instrument agreements including derivative financial instruments for speculative purposes.

The Company's main risk exposure and its financial risk management policies are as follows:

(a) Fair value:

Fair value estimates are made based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties in significant matters of judgement and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

The carrying amounts for cash and cash equivalents, other receivables, accounts payable and accrued liabilities on the statements of financial position approximate fair values because of the short-term nature of these instruments. The fair value of the loan payable is based on the discounted cash flows and is not materially different from its carrying value since there was no material change in the assumptions used for fair value determination at inception.

As at March 31, 2021, the Company held marketable securities consisting of 23,858 (2020 – 23,858) common shares of Lucky Minerals Inc. ("Lucky") carried at a fair value of $1,789 (2020 - $2,505). These marketable securities were classified as Level 1 within the fair value hierarchy.

(b) Credit risk:

Credit risk results from the possibility that a loss may occur from the failure of another party to perform according to the terms of the contract. Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash and cash equivalents. Cash is maintained with high-credit, quality financial institutions.

(c) Liquidity risk:

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2021, the Company had a cash balance of $177,817 (December 31, 2020 - $296,039) to settle current liabilities of $121,124 (December 31, 2020 - $177,141). The Company's accounts payable and accrued liabilities generally have contractual maturities of less than 30 days and are subject to normal trade terms.

(d) COVID-19:

An outbreak of a new strain of coronavirus (COVID-19) resulted in a major global health crisis which continues to have impacts on the global economy and the financial markets at the date of completion of the financial statements.

These events are likely to cause significant changes to the assets or liabilities in the coming year or to have a significant impact on future operations. Following these events, the Company has taken and will continue to take action to minimize the impact. However, it is impossible to determine the financial implications of these events for the moment.

COMMITMENTS AND CONTINGENCIES

The Company's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

The Company is committed to incur eligible exploration and evaluation expenses of $600,000 by December 31, 2021, related to its flow-through share financings completed in 2020. As at March 31, 2021, the Company has incurred $429,199 of eligible expenses.

However, there is no guarantee that the funds spent by the Company will qualify as Canadian exploration expenses, even if the Company has committed to take all the necessary measures for this purpose. Refusals of certain expenses by tax authorities could have negative tax consequences for investors of the Company.

In such event, the Company will indemnify each flow-through share subscriber for the additional taxes payable by such subscriber as a result of the Company's failure to renounce the qualifying expenditures as agreed.

OFF BALANCE SHEET ITEMS

The Company does not have any off balance sheet items.

May 20, 2021