



Management's Discussion and Analysis  
**For the three months ended March 31, 2020**

**Filed May 29, 2020**

*Management's discussion and analysis (MD&A) relates to the performance, financial condition and future prospects of Central Timmins Exploration Corp. ("CTEC" or the "Company"). This MD&A should be read in conjunction with the unaudited interim condensed financial statements for the three months ending March 31, 2020 and Notes thereto. Readers are cautioned that the MD&A contains forward-looking statements that are not historical in nature and involves risks and uncertainties. Forward-looking statements are not guarantees as to CTEC's future results as there are inherent difficulties in predicting future results. Accordingly, actual results could differ materially from those expressed or implied in the forward looking statements. Readers are encouraged to consult the Company's audited financial statements for the year ending December 31, 2019 and related notes for additional details. The unaudited interim financial statements and MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All figures are in Canadian dollars unless stated otherwise. This discussion addresses matters we consider important for an understanding of our financial condition and results of operations as of May 29, 2020 and for the three months ended March 31, 2020. The Company has adopted National Instrument 51-102F1 as the guideline in presenting the MD&A.*

This Management and Discussion and Analysis was authorized for issuance by the Board of Directors of the Company on May 28, 2020.

#### **Description of Business**

The Company is a junior mining, exploration and development company engaged in the acquisition, exploration and development of mineral resource properties in Canada. The Company was formed under the *Business Corporations Act* of Canada as Central Timmins Exploration Corp. on November 10, 2017 by articles of incorporation.

The business objective of the Company is acquiring land and exploring for base and precious metals deposits in the Porcupine Mining Camp of Northeastern Ontario.

The Company does not hold any interests in producing or commercial mineral deposits. The Company has no production or other material revenue. There is no operating history upon which investors may rely. Commercial development of any kind will only occur in the event that sufficient quantities of mineral resources containing economic concentrations of minerals are discovered. If, in the future, a discovery is made, substantial financial resources will be required to establish mineral resources and/or mineral reserves. Additional substantial financial resources will be required to develop mining and processing facilities for any mineral resources and/or mineral reserves that may be discovered. If the Company is unable to finance the establishment of mineral reserves or the development of mining and processing facilities it may be required to sell all or a portion of its interest in such property to one or more parties capable of financing such development.

Additional information is accessible at the Company's website [www.centraltimmins.com](http://www.centraltimmins.com) or through the Company's public filings at [www.sedar.com](http://www.sedar.com).

As at May 29, 2020, the directors and officers of the Company are:

Joe Ovsenek	Chairman, President, Chief Executive Officer and Director
Neville Dastoor	Director
Julian Kemp	Director
Ron MacDonald	Director
John Sullivan	Director
Christopher Hopkins	Chief Financial Officer and Corporate Secretary

During March 2018, the Company retained Roscoe Postle and Associates Inc. ("RPA") to prepare an NI 43-101 Report on the Timmins Area Project. Mr. Paul Chamois, M.Sc., P.Geo. was the independent Qualified Person on the file.

#### **Business Outlook**

The Company commenced a strategic review process in the fourth quarter of 2019 and, with the appointment of Joseph Ovsenek as President and Chief Executive Officer in May 2020, the process is well underway. As part of the review process, all potential alternatives are being evaluated, including the acquisition of one or more mining properties, a merger or other business combination, a disposition of all or a portion of the Company's assets, a recapitalization, refinancing of its capital structure, or any combination of the foregoing.

The outcome of the strategic review process will depend on the opportunities which arise within such process and there can be no assurance that the strategic process will result in the realization of any specific transaction or agreement. During this review process the Company has curtailed exploration and evaluation expenditures. Updates will be provided as warranted.

### Operational Highlights

The following paragraphs provide an analysis of the financial condition of the Company, results of operations, trends, events, uncertainties, and industry and economic factors that affect the Company's performance for the three months ended March 31, 2020.

Total exploration and evaluation costs were \$66,173 for the three months ended March 31, 2020 compared to \$484,327 for the three months ended March 31, 2019, to a cumulative total of \$2,150,691 (2018 – \$1,344,982). The Company has curtailed exploration and evaluation expenditures while continuing the strategic review and repositioning process.

As at March 31, 2020, the Company had 8,558,331 common shares outstanding. On January 9, 2020 the Company consolidated its outstanding common shares on a 6:1 basis.

As at March 31, 2020, the Company's cash position was \$342,073 (December 31, 2018 - \$570,337). On April 16, 2020 the Company closed of a non-brokered private placement for aggregate gross proceeds of \$500,000 (the "Offering"). The Offering consisted of the sale of 10,000,000 common shares of the Company (the "Shares") at a price of \$0.05 per Share for aggregate gross proceeds of \$500,000. All securities issued pursuant to the Offering are subject to a four month and one day hold period under applicable securities laws, expiring on August 16, 2020.

### Recent Events

On January 10, 2020 the Company announced that at the special meeting of shareholders held on January 9, 2020, a special resolution was passed by shareholders authorizing and approving an amendment to the Corporation's articles to affect a consolidation (the "Share Consolidation") of the issued and outstanding common shares of the Company. Subsequent to the special meeting, the Board of Directors elected to proceed with the Share Consolidation on the basis of one (1) post-consolidation Common Share for every six (6) pre-consolidation Common Shares. All references to the number of shares, option and warrants and per share amounts have been retroactively restated to reflect the consolidation.

Upon completion of the Share Consolidation, the number of post-consolidation Common Shares issued and outstanding was, 8,558,331 (on a non-diluted basis). Any fractional Common Share resulting from the Share Consolidation will be rounded down to the nearest whole number and any such fractional interest will be cancelled without consideration.

The Share Consolidation was approved by the TSX Venture Exchange on January 14, 2020, and the common shares started trading on the TSX Venture Exchange on a consolidated basis at the opening of trading on January 14, 2020, under the current symbol "CTEC".

On April 16, 2020 the Company closed a non-brokered private placement of 10,000,000 common shares of the Company at a price of \$0.05 per share for aggregate gross proceeds of \$500,000. All securities issued are subject to a four month and one day hold period under applicable securities laws, expiring on August 16, 2020. Joseph Ovsenek, the newly appointed Company Board director participated in the Offering and will hold 10.8% of the Company's common shares outstanding after the close of this Offering. Ken McNaughton, the current Vice President and Chief Exploration Officer of Pretium Resources Inc., also participated in the Offering and will hold 10.8% of the Company's common shares outstanding after the closing of the Offering.

On May 7, 2020 the Company announced the appointment of Joseph Ovsenek to the position of President and CEO and as Chairman of the Board of Directors, the appointment of Mr. Ron MacDonald to the Board of Directors replacing Wes Roberts who has resigned as a director. On April 16, 2020, Mr. Charles Gryba resigned as a director and President and Chief Executive Officer of CTEC. Mr. Gryba will continue his relationship with CTEC as a technical consultant.

On May 14, 2020, the Company announced that pursuant to its Stock Option Plan, it has granted stock options to directors, officers and consultants of the Company to purchase an aggregate 585,000 common shares in the capital of the Company at an exercise price of \$0.34 per share which expire on May 14, 2022. Following this stock option grant, the Company has a total of 1,385,000 stock options outstanding representing approximately 7.5% of the outstanding common shares of the Company. This stock option grant is subject to acceptance by the TSX Venture Exchange.

During the period, there was a global outbreak of COVID-19 ("Coronavirus"), which has had a significant impact on businesses through the restrictions put in place by Canadian government regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the Coronavirus outbreak may have on the Company as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the extent of the impact is unknown, we anticipate this outbreak may cause supply chain disruptions, and staff shortages, all of which may negatively impact the Company's business and financial condition.

#### Exploration and Development Summary

As at March 31, 2020, CTEC held a total of 653.5 (December 31, 2019 – 653.5) claim and patented units totalling approximately 14,000 ha in the Porcupine Mining District ("The Timmins Area Project"), of which 77 (December 31, 2019 – 77) are patented claims included in the Dayton Agreement, the Racetrack Agreement and the Goldstone Agreement, and 576.5 (December 31, 2019 – 576.5) are unpatented claim units.

As at March 31, 2020 and December 31, 2019, the Company held the following unpatented claim units:

As at,	March 31, 2020	December 31, 2019
	# of Claim Units	# of Claim Units
Deloro Township	39.5	39.5
Ogden Township	58	58
Mountjoy Township	167	167
Godfrey Township	41.5	41.5
Jamieson Township	9	9
Jessop Township	6	6
Price Township	3.5	3.5
Robb Township	50	50
Turnbull Township	69	69
Bonar Township	109	109
Cote Township	6	6
Massey Township	1	1
Bristol Township	2	2
Whitesides Township	15	15
	576.5	576.5

CTEC has broken down the Timmins Project into four distinct township projects: Deloro and Ogden are located on the south side of the Porcupine Destor Fault Zone ("PDFZ"); and Mountjoy and the Four Corners Project on the north side of the PDFZ (covering areas in Godfrey, Robb, Jamieson and Turnbull townships).

### Highlights

- In 2019, reinterpretation of 81 Kerr Addison reverse circulation drill holes plus the Osisko – CPS JV airborne electromagnetic ("EM")/magnetic/radiometric survey indicate that Tisdale volcanics extend into Mounjoy Township. Ground induced polarization ("IP") in Q4 of 2019 confirmed five airborne EM – Mobile Metal Ion ("MMI") gold and base metal anomalies within the newly interpreted volcanics. Similarly, an MMI-intrepreted porphyry on a trend SE of the Caron porphyry generated IP anomalies over a 1.5km strike length; the porphyry is also anomolus in gold and base metals. There are 25 permitted drill targets on CTEC land in Timmins plus Bonar Township, the latter located some distance west of the Porcupine Camp.
  - Drilling Contract and Initial 2018 Drill Targets
    - Signed a drilling contract for a 5,000-metre phased diamond drill program that was completed in Q4, 2018 and Q1, 2019.
    - Drilling commenced in late October 2018 on the Deloro Project.
    - Initial drilling focused on an area where drill hole DDH #5, completed to a depth of 220m by Dictore Porcupine Gold Mines Limited<sup>(1)</sup> in 1939, intersected a total of 45 metres of gold-mineralized core that averaged 2.7 g/t in three distinct zones, 2.2 g/t Au over 11m, 1.8 g/t Au over 12m and 3.3 g/t Au over 22m of core length. Each of the intersections also had one or more high-grade portions ranging from a low of 6.3 g/t Au to 21.9 g/t Au all with 1.5m sample core lengths.
- (1) Historic drill intercepts and mining data from the Dictore Property were sourced from historic files and assay logs - Assessment File 444 of Deloro Township; Timmins MNDM Office. QA/QC procedures were not found. Historical results are not necessarily indicative of future results. CTEC twinned the 1939 Dictore DDH #5 to confirm the accuracy of the 1939 assaying. The results are discussed below,
- MMI Geochemical Sampling in 2012 and 2018
    - 1,800 MMI samples in Deloro and Ogden Townships and check sampling of 200 MMI locations in Mountjoy Township and on the Four Corners project in 2018.
    - Approximately 6,000 MMI samples taken to date on the four projects.
    - SGS Lakefield completed MMI assaying for 53 elements, generating 300,000 individual assays.
    - Serge Nadeau, PhD completed analysis of the entire 6,000 sample MMI data base; initially in 2012 then ongoing through 2018. Mr. Nadeau's analysis generated 20 targets spread over the four Timmins Project areas.

On January 21, 2019 the Company announced the results of the late-2018 four-diamond drill hole program to confirm the geology of Dictore Porcupine's DDH #5 in Deloro Township. Gold assays ranged from 0.10 g/t to 3.94 g/t over narrow core widths. The best assay in CTEC's DDH #1 was from a pyritic zone, which assayed 3.94 g/t Au over a 0.5m core width from 222.8m to 223.3m down the hole.

CTEC holes DDH #2 and DDH #3 were drilled at right angles to DDH #1 and intersected anomalous Au ranging from 10 ppb to 300 ppb. The wide IP and strong magnetic responses seen were due to considerable widths of 2% to 3% sulphides and up to three parallel iron formations, each with various percentages of pyrrhotite mineralization.

DDH #4 tested a similar IP, magnetic and Very Low Frequency ("VLF") electromagnetic target 200m to the southwest of DDH #1. Iron formations of varying widths and pyrrhotite content explained the geophysical responses.

CTEC DDH #5 was drilled in February 2019 to check an IP and MMI anomaly in Deloro Township along Pine Street South just south of the PDFZ and about 2km west of DDH's #1 to #4. DDH #5 hole had assays in the ppb-Au range and the bottom half of the hole was in diorite. A review of the data from San Gold historic drilling and CTEC holes #1 to #5 indicates that the diorite maps as a magnetic low, an IP high-resistivity anomaly and low-chargeability anomaly. Gold values appear to be near the edges of the diorite contact.

The Company completed a 10km line cutting and IP program in Deloro Township covering the area between CTEC's DDH #1 to #5 and the previous historical drilling of 20 holes on the Dayton Gold Zone. The Dayton Zone, which is a gold mineralized iron formation, has been geologically modelled and several fold nose features have been identified. Gold mineralization is higher grade in the fold locations.

A geophysical consultant was retained by CTEC to review and consolidate the four types of ground and airborne geophysics that have been covered the Company's and predecessors' properties over the past 20 years and reinterpret the geology of the area to identify new drill targets. The entire Deloro land package is now permitted for drilling as the City of Timmins has granted approval for CTEC to drill on the Deloro patented surface rights owned by the City of Timmins where CTEC owns the patented mineral rights.

In the 2019 winter drill program north of the PDFZ, three targets were tested. DDH #6 tested an MMI anomaly along the south boundary of Mountjoy Township. The hole intersected barren sediments prior to being lost in a major fault zone. Due to slow drilling progress a second drilling contractor was retained. The initial contractor moved to Godfrey Township and the Caron claims and the second contractor mobilized to a VMS-modelled MMI anomaly in the central part of Mountjoy Township. Three holes were drilled at both locations.

Godfrey Township holes #7, #8 and #9 each intersected 50m to 100m of altered porphyry with frequent highly-contorted quartz veining, occasional tourmaline and generally fine-grained pyrite. The best assay was 2.46 g/t Au over a 0.6m core width hosted by porphyry from 233.3 to 223.9m in DDH #8. Geological modelling of CTEC DDHs #7, #8 and #9 along with four 1936 – 1938 drill holes indicates that the porphyry is at least 500m long, is more than 50m thick and is open below a 300m depth. Narrow Intersections of +1.00 g/t Au plus wide areas of 100 to 300 ppb Au have been intersected along 400m of porphyry strike length.

The geological implications of the Caron porphyry system are encouraging as it is the first confirmed gold-bearing porphyry drilled on the east side of the Montreal River fault. The Explor Resources Inc. ("Explor" now Galleon Gold) porphyry-hosted gold system located 3km south of the Caron porphyry is on the west side of the Montreal River fault and mineralization stops abruptly at the fault. Explor has identified potential open pit gold mineralization over a 3km strike length on the west side of the fault according to Explor information posted to SEDAR.

CTEC entered into a four-year option agreement on April 30, 2019 to acquire 93ha of patented mineral rights in Mountjoy Township on strike to the east of the Caron porphyry system. Three lines of IP, carried out by the property owner, indicate that the porphyry horizon could extend for several kilometres to the NE. There could also be a number of porphyries in this part of Mountjoy Township as CTEC MMI surveying indicates several other possible porphyry targets with anomalous gold values. Several drill targets have been permitted.

Mountjoy Township holes #10, #11 and #12 tested a copper-modelled portion of an MMI VMS target accompanied by several airborne EM anomalies and pulse electromagnetic ("PEM") ground survey responses. There were 15 scattered locations where chalcopyrite mineralization was noted within sediments, some possibly related to diabase dykes. Hole #10 intersected 188 ppm Cu over a 2m core width from 33m to 35m, 121 ppm from 60m to 62m depth and 1,020 ppm Zn over a 0.5m core width from 286.5 to 287.0m. An IP survey was completed over the zinc portion of the MMI anomaly.

In parallel with the drilling, CTEC management and consultants continued to outline and rank 25 potential drill targets as hard data from the 2018 and 2019 exploration holes was compiled, and further IP surveying was completed. There are now at least 10 drill targets in Deloro and Ogden townships on the south side of the PDFZ and 15 in Mountjoy and Godfrey townships north of the PDFZ. The assaying of the Faymar Mine crown pillar geotechnical holes confirmed the historical 6 g/t Au vein grade and the Faymar patents merit further evaluation.

### CTEC 2019 Summer Drill Program

A four-hole summer drilling program was planned to test targets both north and south of the PDFZ. Drilling began on July 11<sup>th</sup> and was completed on July 24, 2019. On the Four Corners property a hole tested the eastern extension of narrow high-grade silver, lead, zinc veins plus gold values intersected in 2010. The CTEC hole intersected a combination of sediments and porphyries over a 50m width. No significant gold or base metal values were intersected.

The drill was then moved to Mountjoy Township to drill a porphyry/gold target. Three attempts were made with the hole being stopped at 70m after going through 60m of fine sand then into coarse gravel. The drill was then moved 2km north to test the strongest Caron property IP anomaly. The hole intersected graphitic sediments, which explained the IP anomaly. A third more southerly Mountjoy Township hole planned to test the porphyry zones to the southeast was deferred to a future winter program at the request of the patented surface rights owner.

The final two holes were drilled to test the 14m wide quartz breccia close to the historical Dayton Porcupine gold zone in Deloro Township. See CTEC press release dated September 26, 2019. Both CTEC holes intersected quartz breccia and sulphide mineralization over similar widths, with Hole D-19-06 intersecting 3.29 g/t Au over an estimated true width of 4.93m and Hole D-19-07 intersecting 1.51 g/t Au over an estimated true width of 3.44m. CTEC's core logging protocol includes the use of oriented core technology. While this slows the logging process somewhat, it provides much more accurate vein orientation and other structural data.

As discussed in Highlights above, CTEC consultants and geologists have completed the reinterpretation of Mountjoy Township geology using historical diamond drilling, Kerr Addison's 81-hole sonic drill program and Noranda diamond drilling combined with approximately 4,000 MMI samples plus the Osisko 2010 airborne survey. The Tisdale Volcanics appear to extend west-SW about 5km into Mountjoy Township. To confirm the Mountjoy geology and ground truth airborne EM anomalies, five IP and magnetic grids were surveyed to confirm drill target locations in the newly-interpreted volcanic areas. Three down-the-hole Mis-a-la-Masse surveys were also completed, two in Deloro Township and one at Four Corners to confirm the strike direction and strength of gold intersections and/or mineralized veining identified in the Claim Post historic drill holes and the Company's 2019 drilling.

As part of the fall 2019 program CTEC has identified two possible kimberlite pipes in Bonar Township, 160km west of Timmins. They present as strong magnetic anomalies, are each approximately 12ha in size and alternatively may represent rare earth-bearing carbonatites. Between 2007 and 2011 then-owner Claim Post focused on two strong magnetic anomalies identified in a 2002 government aeromag survey and confirmed by a detailed 2003 helicopter magnetic survey. In addition G9 and G10 indicator mineral garnets were found down ice from the anomalies in a 2001 regional government geochem survey. Claim Post carried out an MMI survey and found that one of the anomalies has a unique, very strong MMI rare earth rim and a core that has the same MMI signature as that developed by SGS Laboratories based on a study of the C14 Kimberlite pipe discovered 20km NE of Kirkland Lake, Ontario. This pipe produced five diamonds.

Mr. John Sullivan, B.Sc., P.Geo., independent director of CTEC, has acted as the Qualified Person, as defined in NI 43-101, with respect to the disclosure of the scientific and technical information relating to exploration results and future plans contained in this management discussion and analysis.

### *Trends*

Current stock market conditions for public junior resource companies are not supportive of funding grassroots exploration or even advancing resource projects due to low metal prices and other factors. Given the difficulties in raising new capital through the equity markets, such companies are seeking out alternative sources of capital such as joint ventures with strategic partners, raising capital with financial partner equity groups, and investment from royalty-streaming investment groups. It is uncertain how long this trend will continue. Otherwise there are no unusual trends, events or uncertainties presently known or identifiable to management that are reasonably expected to have a material effect on the Company's business, financial condition or results of operations. The nature of the Company's business is demanding of capital for property acquisition costs, exploration and holding costs. The Company may stake ground as it becomes available for exploration and will drop claims from time to time if claims are deemed to have low potential for discovery. The Company intends to utilize cash on hand to meet its obligations and will continue to raise funds primarily by equity financings as necessary to augment this cash position as it does not have any operating cash flow.

*Management and Consulting Fee Commitment*

The Company is committed to monthly payments under the terms of operating agreements for management and consulting fees. The aggregate remaining payments per year are as follows:

2020	\$ 135,000
2021	\$ 67,000

*Use of Funds*

The Company will spend its available funds to further its stated business objectives. Specifically, the available funds will be spent to explore and develop the Timmins Area Project. There may be circumstances where, for sound business reasons, a reallocation of funds may be necessary in order for the Company to achieve its stated business objectives.

**Industry Risks**

The Company is subject to numerous risk factors that may affect its business prospects in the future. These include risks inherent to exploration, development and operating companies, dependence on key personnel, commodity prices, and availability of capital, environmental and permitting risks, acquisition risks, competition and potential risks relating to land titles.

There are certain risk factors that could have material effects on the Company that are not quantifiable at present due to the nature of the Company's industry segment and other considerations.

*Additional Capital*

The exploration and development activities of the Company may require substantial additional financing. Failure to obtain sufficient financing may result in delaying or indefinite postponement of exploration and development of any of the Company's properties. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financings will be favourable to the Company. In addition, low commodity prices may affect the Company's ability to obtain financing.

*Exploration Development and Operating Risk*

Mineral exploration involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration and development, any of which could result in work stoppages, damage to property, and possible environmental damage. None of the properties in which the Company has an interest have a known body of commercial ore. Development of the Company's mineral properties will follow upon obtaining satisfactory exploration results. Mineral exploration and development involve a high degree of risk and few properties that are explored are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration and development activities will result in any discoveries of commercially viable bodies of ore. The long-term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish mineral resources and reserves through drilling, to develop process flow sheets, to extract the metal from the resources and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis.

*Business Risk*

The success of the operations and activities of CTEC is dependent to a significant extent on the efforts and abilities of its management, outside contractors, experts and other advisors. Investors must be willing to rely to a significant degree on management's discretion and judgment, as well as the expertise and competence of the outside contractors, experts and other advisors. The Company does not have a formal program in place for succession of management and training of management. The loss of one or more of the key employees or contractors, if not replaced on a timely basis, could adversely affect the Company's operations and financial performance.

*Commodity Prices*

The price of the Company's common shares, its financial results, and exploration and development activities have been, or may in the future be, adversely affected by declines in the price of gold and/or other metals. Gold prices fluctuate widely and are affected by numerous factors beyond the Company's control such as the

sale or purchase of commodities by various central banks, financial institutions, expectations of inflation or deflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, international supply and demand, speculative activities and increased production due to new project developments, improved production methods and international economic and political trends. The Company's revenues, if any, are expected to be in large part derived from mining, precious and base metals or interests related thereto. The effect of these factors on the price of metals, and therefore the economic viability of any of the Company's exploration projects, cannot accurately be predicted.

#### *Environmental and Permitting*

All phases of the Company's operations are subject to environmental regulation in the various jurisdictions in which it operates. These regulations, among other things, mandate the maintenance of air and water quality standards, land reclamation, transportation, storage and disposal of hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors, and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations.

To the Company's knowledge, there are no liabilities to date which relate to environmental risks or hazards.

#### *Risks Related to Environmental, Mining and Other Regulations*

CTEC and its prospective customers are subject to extensive environmental, health and safety regulations that impose, and will continue to impose, significant costs and liabilities. In addition, future regulations, or more stringent enforcement of existing regulations, could increase those costs and liabilities, which could adversely affect the Company's results of operations.

#### *Acquisition*

The Company uses its best judgment to acquire mineral properties for exploration and development. In pursuit of such opportunities, the Company may fail to select appropriate acquisition candidates or negotiate acceptable agreements, including arrangements to finance the acquisitions and development, or integrate such opportunity and their personnel with the Company. CTEC cannot assure that it can complete any acquisition that it pursues, or is currently pursuing, on favourable terms, or that any acquisition completed will ultimately benefit the Company. The Company's management and directors have experience globally, thus, potential acquisitions may be outside of Canada.

#### *Competition*

The mining industry is intensely competitive in all of its phases, and the Company competes with many companies possessing greater financial resources and technical facilities than itself. Competition in the mining business could adversely affect the Company's ability to acquire suitable producing properties or prospective properties for mineral exploration and development in the future.

#### *Land Title*

The Company has not sought formal title opinions on its mineral property interests. Any of the Company's properties may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects. The Company has no present knowledge of any material defect in the title of any of the properties in which the Company has or may acquire an interest.

### **Review of Operations**

#### **Three Months Ended March 31, 2020 and 2019**

The Company had a net loss of \$165,114 or \$0.019 per share for the three months ended March 31, 2020, compared to \$461,853 or \$0.054 per share for the three months ended March 31, 2019. The Company has curtailed exploration and evaluation expenditures while continuing the strategic review and repositioning process.

Professional fees were \$53,185 for the three months ended March 31, 2020 compared to \$51,165 for the three months ended March 31, 2019. Fees were higher in the current period due to an increase CFO fees. These fees were routine professional services such as legal advice audit fees and contracting fees. These expenses will increase on a going forward basis as the Company becomes more active and starts to raise additional funds.

General and administrative costs were \$16,679 for the three months ended March 31, 2020 compared to \$13,337 for the three months ended March 31, 2019. These expenses increased from the previous year due to an increase in insurance expenses in the current year. These expenses will increase on a going forward basis as the Company becomes more active and starts to incur increased operating costs.

Shareholder information costs were \$15,098 for the three months ended March 31, 2020 compared to \$15,284 for the three months ended March 31, 2019. These expenses will increase on a going forward basis as the Company becomes more active and starts to incur increased disclosure and filing costs.

Investor relations and travel costs were \$273 for the three months ended March 31, 2020 compared to \$27,894 for the three months ended March 31, 2019. The decrease is due to reduced travel expenses the the current year period.

Total exploration and evaluation costs were \$66,173 for the three months ended March 31, 2020 compared to \$484,327 for the three months ended March 31, 2019, to a cumulative total of \$2,150,691 (2018 – \$1,344,982). The Company has curtailed exploration and evaluation expenditures while continuing the strategic review and repositioning process.

### Selected Quarterly Financial Data

Three Months Ended	Total Revenue (\$)	Income( loss)		Total Assets (\$)
		Total (\$)	Per Share (\$)	
March 31, 2020	-	(165,114)	(0.019)	405,105
December 31, 2019	-	(122,012)	(0.014)	664,435
September 30, 2019	-	(335,363)	(0.042)	726,710
June 30, 2019	-	(385,360)	(0.042)	1,129,290
March 31, 2019	-	(461,896)	(0.054)	1,843,541
December 31, 2018	-	(549,088)	(0.108)	2,157,417
September 30, 2018	-	(172,485)	(0.036)	209,796
June 30, 2018	-	(207,227)	(0.042)	431,805
March 31, 2018	-	23,603	0.006	568,436

### Liquidity and Capital Resources

The mineral properties of the Company are in the exploration and development stage and, as a result, the Company has no source of operating cash flow. The exploration and development of the Company's properties depends on the ability of the Company to obtain financing.

If the Company's exploration programs are successful, additional funds will be required to develop the Company's properties and to place them into commercial production. The only source of future funds presently available to the Company is through the issuance of share capital, or by the sale of an interest in any of its properties in whole or in part. The ability of the Company to arrange such financing or sale of an interest in the future will depend in part upon the prevailing market conditions as well as the business performance of the Company. There can be no assurance that the Company will be successful in its efforts to arrange additional financing, if needed, on terms satisfactory to the Company. If additional financing is raised through the issuance of shares, control of the Company may change and shareholders may experience dilution. If adequate financing is not available, the Company may be required to delay, reduce the scope of, or eliminate one or more exploration activities or relinquish rights to certain of its interests. Failure to obtain additional financing on a timely basis could cause the Company to forfeit its interests in some or all of its properties and reduce or terminate its operations.

As at March 31, 2020, the Company had cash of \$342,073 (December 31, 2019 - \$570,337) to settle current liabilities of \$53,980 (December 31, 2019 - \$144,126). All of the Company's financial trade liabilities have contractual maturities of less than one year and are subject to normal trade terms.

As at March 31, 2020, the Company had working capital of \$320,489 (December 31, 2019 - \$476,119). In order to meet its longer-term working capital needs and property exploration expenditures, the Company intends on securing additional financing to ensure that those obligations are properly discharged. As such, management believes that the Company will then have sufficient working capital to discharge its current and anticipated obligations for a minimum of one year. There can be no assurance that CTEC will be successful in its efforts to arrange additional financing on terms satisfactory to the Company. If additional financing is raised through the issuance of shares from the treasury of the Company, control of CTEC may change and shareholders may experience additional dilution. If adequate financing is not available or cannot be obtained on a timely basis, the Company may be required to delay, reduce the scope of, or eliminate one or more of its exploration activities or relinquish some or all of its rights to certain of its interests in mineral properties.

#### Share Data

As at March 31, 2020 there were 8,558,331 shares issued and outstanding and 301,249 warrants outstanding. As at May 29, 2020, there were 18,558,331 shares issued and outstanding and 301,249 warrants outstanding.

*Options* – As at March 31, 2020 there were 799,999 options outstanding at an average exercise price of \$0.527. As at May 28, 2020 there were 1,384,999 options outstanding at an average exercise price of \$0.448

#### Capital Stock

As at March 31, 2020 and December 31, 2019, the Company's authorized number of common shares was unlimited and without par value.

	Number of Shares*	Amount
<b>Balance at December 31, 2019 and March 31, 2020</b>	<b>8,558,331</b>	<b>\$ 2,792,644</b>

\*On January 9, 2020 the Company consolidated its outstanding common shares on a 6:1 basis. All references to the number of shares and per share amounts have been retroactively restated to reflect the consolidation.

#### Warrants

As of March 31, 2020 and December 31, 2019, the following share purchase warrants were outstanding:

December 31, 2019	Issued	(Exercised)	Expired	March 31, 2020	Terms
258,333	-	-	-	258,333	Exercisable at \$0.60 until October 16, 2020
16,666	-	-	-	16,666	Exercisable at \$0.60 until October 16, 2023
26,250	-	-	-	26,250	Exercisable at \$0.60 until November 16, 2020
301,249	-	-	-	301,249	

\*On January 9, 2020 the Company consolidated its outstanding common shares on a 6:1 basis. All references to the number of shares and per share amounts have been retroactively restated to reflect the consolidation.

#### Options

Details of the options outstanding as at March 31, 2020 and December 31, 2019 are as follows:

As at	March 31, 2020		December 31, 2019	
	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price	Number of Options
Outstanding at beginning of period/year	0.527	799,999	\$ 0.60	566,666
Transactions during the period/year:				
Granted	-	-	0.30	208,333
Granted	-	-	0.60	25,000
Outstanding at end of period/year	0.527	799,999	0.527	799,999
Exercisable at end of period/year	\$ 0.527	341,667	\$ 0.527	341,667

\*On January 9, 2020 the Company consolidated its outstanding common shares on a 6:1 basis. All references to the number of shares and per share amounts have been retroactively restated to reflect the consolidation.

### Transactions with Related Parties

As at March 31, 2020, the trade and other payables balance includes related party amounts of \$2,721 (December 31, 2019 - \$8,204). The related parties are directors and officers of the Company, an individual who is related to the President and CEO of the Company and entities over which executive management and directors have control or significant influence. The amounts are for services rendered during the year and arose as a result of transactions entered into with the related parties in the ordinary course of business.

### Compensation of key management personnel of the Company

The remuneration of directors and other members of key management personnel during the three months ended March 31, 2020 and 2018 were as follows:

<i>For three months ended March 31,</i>	<b>2020</b>	2019
Management and consulting fees	<b>\$ 36,000</b>	\$ 30,000
Exploration and evaluation expenditures	<b>18,000</b>	18,000
Share-based compensation	-	27,480

### Other Information

#### Additional Disclosure for Venture Companies without Significant Revenue

The following is additional financial information for the period regarding the Company as required by National Instrument 51-102 – Continuous Disclosure Obligations, for TSX-V issuers.

	<b>March 31, 2020</b>	March 31, 2019
Exploration and evaluation expenditures	<b>\$ 66,173</b>	\$ 484,327
Administrative expenses	<b>\$ 98,941</b>	\$ 153,526
Total assets	<b>\$ 405,105</b>	\$ 1,843,541
	<i>For the three months ended March 31, 2020</i>	<i>For the three months ended March 31, 2019</i>
<b>Exploration and evaluation expenditures</b>	<b>Expensed</b>	<b>Expensed</b>
Acquisition costs	<b>\$ -</b>	\$ 14,350
Assays	-	7,215
Drilling	-	254,240
Geophysical and MMI Surveys	-	96,684
Consulting	<b>50,000</b>	63,200
Other exploration and evaluation expenditures	<b>16,173</b>	48,638
Total exploration and evaluation expenditures	<b>\$ 66,173</b>	\$ 484,327

<b>Administrative Expenses</b>	<i>For the three months ended March 31, 2020</i>	<i>For the three months ended March 31, 2019</i>
Interest income	\$ (909)	\$ -
General and administrative	16,679	13,337
Depreciation	13,554	9,784
Share-based payments	-	34,590
Interest expense	1,061	1,472
Professional fees	53,185	51,165
Shareholder information	15,098	15,284
Investor relations and travel	273	27,894
	<b>\$ 98,941</b>	<b>\$ 153,526</b>

<b>Outstanding share data</b>	<i>As at March 31, 2020</i>	<i>As at March 31, 2019</i>
Issued and outstanding common shares	<b>8,558,331</b>	8,558,331

\*On January 9, 2020 the Company consolidated its outstanding common shares on a 6:1 basis. All references to the number of shares and per share amounts have been retroactively restated to reflect the consolidation.

## Significant Accounting Policies

### Adoption of new and revised standards and interpretations

- IFRS 16 – Leases – In January 2016, the IASB issued IFRS 16 - Leases ("IFRS 16"), replacing IAS 17 - Leases. IFRS 16 provides a single lessee accounting model and requires the lessee to recognize assets and liabilities for all leases on its statement of financial position, providing the reader with greater transparency of an entity's lease obligations.

The Company elected the modified retrospective transition approach, which provides lessees a method for recording existing leases at adoption with no restatement of prior period financial information. Under this approach, a lease liability was recognized at January 1, 2019 in respect of leases previously classified as operating leases, measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at transition. The associated right-of-use assets were measured at amounts equal to the respective lease liabilities, subject to certain adjustments allowed under IFRS 16.

Adoption of the new standard at January 1, 2019 resulted in the recording of additional right-of-use assets and lease liabilities of \$61,964, related to an office space.

All leases are accounted for by recognizing a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of twelve months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by the incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- Amounts expected to be payable under any residual value guarantee;
- The exercise price of any purchase option granted if it is reasonably certain to assess that option;
- Any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- Lease payments made at or before commencement of the lease;
- Initial direct costs incurred; and
- The amount of any provision recognized where the Company is contractually required to dismantle, remove or restore the leased asset.

Lease liabilities, on initial measurement, increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made.

Right-of-use assets are amortized on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if this is judged to be shorter than the lease term.

When the Company revises its estimate of the term of any lease, it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortized over the remaining (revised) lease term.

#### **Dividends**

The Company has neither declared nor paid any dividends on its common shares. The Company intends to retain its earnings, if any, to finance growth and expand its operations and does not anticipate paying any dividends on its common shares in the foreseeable future.

#### **Assessment of Recoverability of Future Income Tax Assets**

In preparing the financial statements, the Company is required to estimate its income tax obligations. This process involves estimating the actual tax exposure together with assessing temporary differences resulting from differing treatment of items for tax and accounting purposes. The Company assesses, based on all available evidence, the likelihood that the future income tax assets will be recovered from future taxable income and, to the extent that recovery cannot be considered "more likely than not," a valuation allowance is established. If the valuation allowance is changed in a period, an expense or benefit must be included within the tax provision on the income statement.

#### **Assessment of Recoverability of HST Recoverable**

The carrying amount of HST Recoverable is considered representative of its values. The Company assesses the likelihood that HST will be recovered and, to the extent that recovery is considered doubtful, a provision for doubtful accounts is recorded.

#### **Critical Accounting Policies**

##### **Going Concern**

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of interest in mineral properties and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable mineral resources and reserves, the achievement of profitable operations, or the ability of the Company to raise additional financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material write-downs to the carrying values. The Company has historically relied on equity financing to raise capital and future raises may be impacted by the current global situation and economic uncertainties. Management has considered how these conditions may impact the Company's viability given its current capital structure and considers that until the outcome of

financing activities is known there is significant doubt about the Company's ability to continue as a going concern.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements, aboriginal claims, unregistered claims, and non-compliance with regulatory and environmental requirements.

Management plans to secure the necessary financing through the issuance of new equity or debt instruments, and/or by entering into joint venture arrangements. Nevertheless, there is no guarantee that these initiatives will be successful.

The Company will require substantial additional funds to further explore and, if warranted, develop its exploration properties. The Company has limited financial resources and no current source of recurring revenue, and there is no assurance that additional funding will be available to the Company to carry out the completion of its planned exploration activities. 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 favourable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and property development. The terms of any additional financing obtained by the Company could result in substantial dilution to the shareholders of the Company.

#### **Income Tax**

The Company accounts for income taxes in accordance with the asset and liability method. The determination of future income tax assets and liabilities is based on the differences between the financial statement and the income tax bases of assets and liabilities, using substantively enacted tax rates in effect for the period in which the differences are expected to reverse. Future income tax assets are recorded to recognize tax benefits only to the extent that, based on available evidence, it is more likely than not that they will be realized.

#### **Cash**

Cash consists of cash held with a Canadian chartered bank.

#### **Loss per Share**

Basic loss per share is determined by dividing the net loss by the weighted average number of ordinary shares outstanding during the financial period. Diluted loss per share is calculated using the treasury stock method. The amount is the same as basic loss per share as the effect of including potential issues of shares under option or from warrant exercises would be anti-dilutive.

#### **Capital Management**

The Company includes shareholders equity (deficit) in the definition of capital.

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties and to ensure it continues as a going concern. 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.

All of the properties in which the Company currently has an interest are in the exploration stage with no operating revenues; as such, the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if management feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Recent market conditions have and are expected to continue to have an adverse impact on the ability of junior mining exploration companies to secure equity funding. The Company relies on equity financing to raise capital and will continue its attempts to do so. Although CTEC was successful in securing debt and equity financing in the current and recent periods, there is no guarantee that future fund-raising attempts will be equally successful.

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

The Company classifies financial instrument fair values in a hierarchy comprising three levels reflecting the significance of the inputs used in making the measurements, described as follows:

- Level 1: Valuations based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates; and
- Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

Cash is classified as level 1.

## Financial Risk Factors

### Financial Instruments

All financial assets not classified at amortized cost or FVOCI are measured at FVTPL. On initial recognition, the Company can irrevocably designate a financial asset at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated at FVTPL:

- It is held within a business model whose objective is to hold the financial asset to collect the contractual cash flows associated with the financial asset instead of selling the financial asset for a profit or loss;
- Its contractual terms give rise to cash flows that are solely payments of principal and interest.

All financial instruments are initially recognized at fair value on the statement of financial position. Subsequent measurement of financial instruments is based on their classification. Financial assets and liabilities classified at FVTPL are measured at fair value with changes in those fair values recognized in the statement of loss and comprehensive loss for the period. Financial assets are classified at amortized cost and financial liabilities are measured at amortized cost using the effective interest method.

The following table summarizes the classification and measurement under IFRS 9 for each financial instrument:

<b>Classification</b>	<b>IFRS 9</b>
Cash	FVTPL
Trade and other payables	Amortized Cost

The original carrying value of the Company's financial instruments under IAS 39 has not changed under IFRS 9.

## Risks

A summary of the Company's risk exposures as it relates to financial instruments are reflected below:

### (i) Credit Risk

Credit risk is the risk of loss associated with a counter-party's inability to fulfill its payment. The Company's credit risk is primarily attributable to cash and receivables and other assets included in current assets. The Company has no material concentration of credit risk arising from operations. Cash consists of bank deposits, which are held by a Canadian chartered bank, and management believes the risk of loss is remote. The Company's receivables and other assets are normally collected within a 60-90 day period. The Company has not experienced any significant collection issues to March 31, 2020.

The Company's maximum exposure to credit risk as at March 31, 2020 is the carrying value of cash.

**(ii) Liquidity Risk**

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due and ensuring an adequate supply of funds to enable the Company to carry out its intended programs. As at March 31, 2020, the Company had a cash balance of \$342,073 (December 31, 2019 - \$570,337) to settle current liabilities of \$53,980 (December 31, 2019 - \$144,126). All of the Company's financial trade liabilities have contractual maturities of less than one year and are subject to normal trade terms.

As at March 31, 2020, the Company had working capital of \$320,489 (December 31, 2019 - \$476,119). In order to meet its longer-term working capital needs and property exploration expenditures, the Company intends on securing additional financing to ensure that those obligations are properly discharged. As such, management believes that the Company will then have sufficient working capital to discharge its current and anticipated obligations for a minimum of one year. There can be no assurance that CTEC will be successful in its efforts to arrange additional financing on terms satisfactory to the Company. If additional financing is raised through the issuance of shares from the treasury of the Company, control of CTEC may change and shareholders may experience additional dilution. If adequate financing is not available or cannot be obtained on a timely basis, the Company may be required to delay, reduce the scope of, or eliminate one or more of its exploration activities or relinquish some or all of its rights to certain of its interests in mineral properties.

**Additional Capital**

The continued exploration by the Company will require substantial additional financing. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financings will be favorable to the Company. In addition, low commodity prices may affect the Company's ability to obtain financing since the equity investment that constitutes the primary asset of the Company is linked to such prices.

**Critical Accounting Estimates**

The preparation of financial statements in conformity with IFRS requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions.

The most significant estimates and judgments relate to, but are not limited to, the following:

- determination of the flow-through share premium requires the use of estimates when calculating the premium associated with the issuance of flow-through shares compared with common shares;
- the calculation of the fair value of share-based payments requires the use of estimates of inputs in the Black-Scholes option pricing valuation model;
- accounting policy for exploration and evaluation expenditures as an expense;
- ownership and control of property requires the use of judgment;
- incremental borrowing rate to obtain an asset of similar value to the right-of-use asset;
- provisions for income taxes expected to be paid based on a qualitative assessment of relevant factors; and
- assessment of the going concern assumption as detailed in Note 1 to the financial statements.

### Forward-looking Statements

This Management's Discussion and Analysis includes "forward-looking statements", within the meaning of applicable securities legislation, which are based on the opinions and estimates of Management and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words suggesting future outcomes or statements regarding an outlook. Such risks and uncertainties include, but are not limited to, risks associated with the mining industry (including operational risks in exploration, development and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of mineral resources and reserve estimates; the uncertainty of estimates and projections in relation to production, costs and expenses; the uncertainty surrounding the ability of CTEC to obtain all permits, consents or authorizations required for its operations and activities; and health safety and environmental risks), the risk of commodity price and foreign exchange rate fluctuations, the ability of CTEC to fund the capital and operating expenses necessary to achieve the business objectives of CTEC, the uncertainty associated with commercial negotiations and negotiating with foreign governments and risks associated with international business activities, as well as those risks described in public disclosure documents filed by CTEC. Due to the risks, uncertainties and assumptions inherent in forward-looking statements, prospective investors in securities of CTEC should not place undue reliance on these forward-looking statements. Statements in relation to "reserves" are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described can be profitably exploited in the future.

Readers are cautioned that the foregoing lists of risks, uncertainties and other factors are not exhaustive. The forward-looking statements contained in this document are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or in any other documents filed with Canadian securities regulatory authorities, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws. The forward-looking statements are expressly qualified by this cautionary statement.

Dated May 29, 2020

"Joseph Ovsenek"  
President and CEO, Chairman