

Management Discussion and Analysis
January 27, 2020

This management's discussion and analysis (MD&A) for Tarku Resources Ltd. (the "Company") should be read in conjunction with the audited annual consolidated financial statements (the "financial statements") as at and for the year ended September 30, 2019. The Company's financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The Company presents its results in Canadian (CDN) dollars. All amounts in this MD&A are in Canadian dollars unless otherwise indicated.

The Company's projects and their history are disclosed in press releases, technical reports and other continuous disclosure filings which may be viewed on the internet on the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com and on the Company's website at www.tarkuresources.com.

Forward-Looking Information

This MD&A contains certain forward-looking statements and information relating to the Company that are based on the beliefs of management as well as assumptions made by and information currently available to the Company. When used in this document, the words "anticipate", "believe", "estimate", "expect" and similar expressions, as they relate to the Company or its management, are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to, amongst other things, regulatory compliance, the sufficiency of current working capital, the estimated cost and availability of funding for the continued exploration of the Company's properties. Such statements reflect the current views of the Company with respect to future events and are subject to certain risks, uncertainties, and assumptions. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

The scientific and technical information regarding exploration activities as defined in National Instrument (NI) 43-101 s. 1.1, was prepared, reviewed and/or approved by both Benoit Lafrance, géo/P.Geo, Ph.D. (Québec), exploration manager and Julien Davy, géo/P.Geo., M.Sc., President and CEO, Directors for the Company and Qualified Persons under NI 43-101 guidelines.

Business Overview

The Company's principal business activity is the exploration for mineral resources in the provinces of Saskatchewan and Quebec. The Company's corporate office is located at Suite 602, 224 4th Ave S., Saskatoon, Saskatchewan.

Strategy

The Company's strategy is to generate or acquire sustainable precious, base and strategic metal projects in the mineral-rich Canadian landscape, in an environmentally-responsible and socially-acceptable manner. Project generation and/or the acquisition of quality early-stage project is the foundation of mining development, and the Company's strategy is to generate exploration projects with excellent potential for partners or buyers to build into mining properties. To execute on this strategy, the Company relies on an experienced management team with a successful track record.

Vision

A sustainable project unites the interests of everyone. The Company will explore places with reasonable prospects for developing a mine. A good exploration project relies on understanding the concerns of all the stakeholders. Exploration projects can have significant impacts on the lives and surroundings of everyone involved, including suppliers and the local communities, not just the proponent. The Company believes that exploration projects that are well received by and integrated into local communities should bring long-lasting benefits for these same communities. Therefore, it is important that a project be at the right distance from nearby communities.

Highlights in the reporting period

1. On April 10, 2019, the company provide an update and new interpretations of its wholly owned Apollo Project, in the Matagami area, (refer to the news release available at www.tarkuresources.com and on www.sedar.com). Specifically, a 271 line-km geophysical High-resolution magnetic survey was completed along the 6 km wide favourable zone along the regional Rivière Waswanipi shear zone. Along with Tarku's recent till sampling program and historical data compilation, the Company reaffirms the strong gold mineralization similarities with the geological context found at the Detour Lake Mine and the Kirkland Lake Mining Camp.
2. On June 6, 2019 the Company provided the results of the Admiral drilling campaign (refer to the news release available at www.tarkuresources.com and on www.sedar.com). Even though the samples did not return any economic gold results, the 5 drill holes demonstrated the presence of numerous elements consistent with the orogenic gold-type exploration model associated with alkaline rocks and porphyry intrusions (syenite-associated type). The results allow the correlation of the anomalous presence of gold traces in association with syenitic dykes with albite-ankerite-hematite alteration.

Mineral Exploration Projects

Projects	Balance at Sept. 30, 2017	Acquisitions and renewals	Impairment and disposal	Balance at Sept. 30, 2018
Chateau Fort	\$ 220,420	\$ 7,807	\$ -	\$ 228,227
Berthiaume	51,000	2,450	(53,450)	-
Richardson	70,529	2,917	-	73,446
Bullion	43,643	512	-	44,155
Apollo	161,798	5,670	-	167,468
Admiral	40,572	1,795	-	42,367
Atlas	145,315	3,012	-	148,327
Virgin River	100,001	-	(100,000)	1
	\$ 833,278	\$ 24,163	\$ (153,450)	\$ 703,991

Tarku Resources Ltd.
Management Discussion and Analysis
Year Ended September 30, 2019

Projects	Balance at Sept. 30, 2018	Acquisitions and renewals	Impairment and disposal	Balance at Sept. 30, 2019
Chateau Fort	\$ 228,227	\$ 1,484	\$ (229,711)	-
Richardson	73,446	-	(73,446)	-
Bullion	44,155	250	(44,405)	-
Apollo	167,468	932	-	168,400
Admiral	42,367	-	-	42,367
Atlas	148,327	3,317	-	151,644
Lac Fabien	-	92,630	-	92,630
Virgin River	1	-	(1)	-
	\$ 703,991	\$ 98,613	\$ (347,563)	\$ 455,041

The following is a summary of exploration and evaluation expenditures:

For the year ended September 30, 2018

	Chateau Fort	Richardson	Apollo	Atlas	Admiral	Bullion	Guercheville	Virgin River	General	Total
Data compilation and planning	\$ 2,421	\$ -	\$ 1,992	\$ 848	\$ 391	\$ -	\$ 5,758	\$ -	\$ 6,609	\$ 18,019
Drilling	-	-	-	-	-	-	96,099	-	-	96,099
Geological	250	9,663	6,067	4,115	-	5,342	-	-	19,250	44,687
Geochemical	-	-	65,075	50,376	-	-	-	-	-	115,451
Geophysical	-	-	-	-	25,000	-	-	-	-	25,000
Ground Stripping	-	2,339	-	-	-	3,773	-	-	-	6,112
Exploration ITC refund*	(24,218)	(14,731)	(19)	-	-	(15,547)	-	-	-	(54,515)
Total exploration expenditures	\$ (21,547)	\$ (2,729)	\$ 73,115	\$ 55,339	\$ 25,391	\$(6,432)	\$ 101,857	\$ -	\$ 25,859	\$ 250,853

*Exploration input tax credits ("ITC") are received from the Quebec government for qualifying exploration work. Expenditures incurred to satisfy flow through share issuance does not qualify for the the ITC.

Tarku Resources Ltd.
Management Discussion and Analysis
Year Ended September 30, 2019

For the year ended September 30, 2019

	Chateau Fort	Richardson	Apollo	Atlas	Admiral	Bullion	Guercheville	Virgin River	General	Total
Data compilation and planning	\$ -	\$ -	\$ 428	\$ -	\$ 4,685	\$ -	\$ -	\$ -	\$ -	\$ 5,113
Drilling	-	-	-	-	133,771	-	-	-	-	133,771
Geological	-	-	-	-	2,572	-	-	-	-	2,572
Geochemical	-	-	-	-	-	-	-	-	-	-
Geophysical	-	-	22,000	5,500	-	-	-	-	-	27,500
Ground Stripping	-	-	-	-	-	-	-	-	-	-
Exploration ITC refund*	(462)	(5,332)	(34,528)	(24,748)	-	(3,112)	-	-	-	(68,182)
Total exploration expenditures	\$ (462)	\$ (5,332)	\$ (12,100)	\$ (19,248)	\$ 141,028	\$ (3,112)	\$ -	\$ -	\$ -	\$ 100,774

*Exploration input tax credits ("ITC") are received from the Quebec government for qualifying exploration work. Expenditures incurred to satisfy flow through share issuance does not qualify for the the ITC.

Chateau Fort Au-Ag-Cu project, Quebec

a) Project description

The Chateau Fort project consist of 175 claims located within the Cree communities of Mistissini (category III lands) of the Eeyou Istchee James-Bay territory, 300 km north of Chibougamau and five kilometers east of the all-season road 167 to the Stornoway Renard diamond mine.

Eros holds a 2% net smelter return ("NSR") royalty on claims not subject to other underlying agreements. The Company will have the right to buy down the royalty to 1% for \$2,000,000 on or before commencement of commercial production. In addition, Eros retains the right to maintain its pro rata percentage ownership of the Company via future financings, and first right of refusal on third party offers to purchase the project.

On July 29, 2016, the project option agreement was amended as follows: 100% of the project was transferred to the Company with no other liabilities or consideration or commitments and the right to buy down the royalty to 1% was reduced from \$2,000,000 to \$500,000.

The project is located in the Upper Eastmain river greenstone belt adjacent and along strike with 2 southeast gold trends identified by Eastmain resources including the past producing Eastmain Mine that extracted 118,356 t @ 10.6 g/t of gold between 1994 and 1995 (Ressources MSV, Quebec government statutory report GM 56083, 1997). The project had only been tested by 6 drill holes over the years and contains the Colline du Château Fort showing (3.3 g/t Au, grab sample, Ministry of Energy and Natural Resources, MB 88-16, 1988). The Chateau Fort project has favourable context for gold and base metals mineralization associated with massive sulphides and quartz-sulphides veins in shear zones.

In 2015, the Company completed a 2,100 line kilometer high-resolution heliborne magnetic (MAG) and time-domain electromagnetic (TDEM) survey (refer to the September 29, 2015 news release available at www.tarkuresources.com and on www.sedar.com).

In 2017, the geological survey completed over the course of the summer by the MENR (Bulletin Géologique: Géologie de la region de l'île Bohier, Beauchamp and Massei, 2017) outlined a favourable zone measuring 5 km by 2 km for mineralization similar to that of the former Eastmain Mine (Indicated Resources of 899,000 tonnes at 8.19 g/t Au and Inferred Resources of 579,000 tonnes at 7.48 g/t Au; refer to the January 9, 2018 news release available at www.eastmain.com). This work also defined a favourable zone for gold-rich volcanogenic massive sulphide mineralization (the "Monts Otish Exhalite Zone"), which contains pyritic chert and is located 2.7 km east of the Colline du Château Fort showing (3.3 g/t Au; grab sample, MENR, MB 88-16, 1988). Furthermore, a new grab sample collected at the Colline du Château Fort showing by the MENR team yielded a grade of 1.78% Zn, thereby highlighting the polymetallic nature of the area.

b) Exploration work completed and anticipated

During the year ended September 30, 2019 the Company incurred \$nil (September 30, 2018 - \$2,671) in exploration expenditures in connection with this project and received \$462 (September 30, 2018 - \$24,218) in exploration income tax credits ("ITCs") in connection with previous year's exploration expenditures. In addition, the Company has recorded a \$229,711 impairment related to this property.

Richardson Au-Cu-Ni-EGP-Zn project, Quebec

a) Project description

The Richardson project is located 20 km NNE of Chibougamau within the Cree communities of Oujé-Bougoumou and Mistissini (category III lands) of the Eeyou Istchee James-Bay territory. The project covers 42 claims and is year-round accessible via the Route du Nord highway.

On June 1, 2017, the Company purchased 100% of Eureka Exploration through a share purchase agreement (refer to the September 29, 2015 news release available at www.tarkuresources.com and on www.sedar.com) and now hold 100% of the Richardson project.

The project is located in the upper part of the Abitibi greenstone belt and contains a sequence of volcanic rocks in contact with sedimentary rocks along the Barlow regional fault. The Company believes that the geological context represents a favourable setting for orogenic gold mineralization. The project also includes a mafic-ultramafic intrusive complex representing a favourable context for Ni-Cu-PGE (platinum group elements) mineralization. The only historical showing present on the mining titles is a mineralization of 2.75% Zn over 0.6 m (historical drill hole, Quebec government statutory report GM 38170, 1979) hosted in felsic volcanoclastic rocks highlighting also the potential for Zn-Cu-Ag-Au volcanogenic massive sulphides (VMS) mineralization. Several untested geophysical anomalies are presents (VTEM and Input).

After identifying areas of interest by reinterpretation of the VTEM survey conducted in 2010 by Geotech for Murgor Resources (Quebec government statutory report GM 66620, 2010), Eureka Exploration completed a geological mapping, rock sampling and prospection work in summer 2016. This work lead to the discovery of the first gold showing of the project (1.7 g/t Au, grab sample) proving the proposed potential for gold discovery in the area by Eureka.

In summer and fall 2017, the Company completed 7 days of field work that included geological mapping, rock sampling and prospection.

In September 2017, the Company completed one 20 m by 50 m stripping zone to sample the pyritic contact between a gabbro and the felsic volcanosedimentary units hosting the gold showing discovered in 2016 (1.7 g/t Au in a grab sample). Although this work generated significant geological information that will be useful in upcoming work on the Richardson project, the analytical results did not return any economic values.

b) Exploration work completed and anticipated

During the year ended September 30, 2019 the Company incurred \$nil (September 30, 2018 - \$12,002) in exploration expenditures and received \$5,332 (September 30, 2018 - \$14,731) in exploration ITCs in connection with previous years exploration expenditures. In addition, the Company has recorded a \$73,446 impairment related to this property.

Bullion Au-Cu-Zn project, Quebec

a) Project description

The Bullion project is located 25 km NNE of Chibougamau within the Cree communities of Mistissini (category III lands) of the Eeyou Istchee James-Bay territory. The project covers 8 claims and is year-round accessible via the Route du Nord highway and secondary bush roads.

On June 1, 2017, the Company purchased 100% of Eureka Exploration through a share purchase agreement (refer to the September 29, 2015 news release available at www.tarkuresources.com and on www.sedar.com) and now hold 100% of the Richardson project.

The project straddles 5 km along the Barlow regional Fault that is located along the margin of the most northerly sedimentary basin of the Abitibi geological Subprovince. Its geological context represents a favourable context for gold mineralization as highlighted by historical result of 2 g/t Au over 2 m (Not listed in the SIGÉOM database), associated with 10% Po-Py within the amphibolite, close to their contact with a volcano-sedimentary sequence (drill hole T-1, MERN report MB 87-10). Cu and Zn traces within historical drill holes are also present and highlighted the potential for massive sulphides type mineralization.

In summer and fall 2017, the Company completed 5 days of field work that includes geological mapping, rock sampling and prospection as well as 9.1 line-kilometres electromagnetic survey and 11.8 line-kilometres magnetic survey completed by Dynamic Discovery Geoscience of Ottawa. The geophysical survey enables to precisely locate geophysical anomalies along the prospective contact between the volcanic and sedimentary rocks that host a barren massive sulphide horizon.

In September 2017, a striping of 46 m in length and a trench of 47 m in length were completed on project aiming to observe and sample the surface expression of the historical gold value intersected in historical drill hole T-1 (2 g/t Au over 2 m; MERN report MB 87-10) and to sample rocks associated with the outlined geophysical anomalies. Although this work generated significant geological information that will be useful in upcoming work on the Bullion project, the analytical results did not return any economic values.

b) Exploration work completed and anticipated

During the year ended September 30, 2019 the Company incurred \$nil (September 30, 2018 - \$9,115) in exploration expenditures and received \$3,112 (September 30, 2018 - \$15,547) in exploration ITCs in connection with previous years exploration expenditures. In addition, the Company has recorded a \$44,405 impairment related to this property.

Apollo gold project, Quebec

a) Project description

The Apollo project is located 50 km east of Matagami within the Cree communities of Waswanipi (category III lands) of the Eeyou Istchee James-Bay territory. The project covers 94 claims and is year-round accessible via the Route de la Baie-James highway or the Route 1055 bush road.

On June 1, 2017, the Company purchased 100% of Eureka Exploration through a share purchase agreement (refer to the September 29, 2015 news release available at www.tarkuresources.com and on www.sedar.com) and now hold 100% of the Apollo project.

On December 14, 2017, the Company entered into a purchase agreement, with an arms length party, to acquire 100% undivided interest in 1 claim (containing the Rivière Waswanipi gold showing) on the Apollo project.

Under the terms of the agreement the consideration required to be given by the company is:

- (i) \$600 cash payment, in total, upon approval of the TSX Venture Exchange (paid)
- (ii) Issuance of 12,500 common shares, in total upon approval of the TSX Venture Exchange (issued)

The Apollo project is centered on the Rivière Waswanipi ductile shear zone (RWSZ). This regional structure is characterized by the presence of porphyritic and alkaline intrusions bearing anomalous gold values on the order of hundreds of parts per billion (Quebec government statutory report GM 52712, 1994). This corridor, altered to carbonate-hematite-magnetite, contains the Rivière Waswanipi gold showing (2.36 g/t Au over 1 m; Quebec government statutory report GM 51193, 1991) hosted in a porphyritic dyke and tuffs altered to pyrite-fuchsite. Collectively, these metallotects present a favourable setting for orogenic gold mineralization associated with alkaline rocks and porphyry intrusions.

Between 2004 and 2006, mapping programs revealed that the RWSZ is associated with alkaline lavas, polygenic conglomerates (Timiskaming type) and porphyry intrusions (MERN reports; Goutier et al., 2004 and 2006), a geological setting that the Company interprets as similar to that of the Sunday Lake Deformation Zone, host of the Detour Lake mine. *The Company cautions that the mineralization at the Detour Lake mine may not be indicative of the mineralization that may be identified on the Company's Matagami properties, and is used as conceptual exploration model only.*

In 1987, Finnith Exploration found that more than 60% of their till samples contained gold grains (from 1 to 19 gold grains; Quebec government statutory report GM 46862, 1987). In 1988, Inco's till sampling program yielded several gold values exceeding 0.5 g/t Au in the heavy mineral fractions, including a maximum value of 4.94 g/t Au (GM 48222). All these historical results are down-ice from the Rivière Waswanipi shear zone that hosts the Rivière Waswanipi showing (2.36 g/t Au over 1 m; 1991, GM 51193).

From October 31, 2017 to November 6, 2017, the Company mandated IOS Service Géoscientifique, of Chicoutimi, to complete a ground and helicopter-assisted till, humus and rock sampling program. The planned work program aimed to validate the historical results of gold grains found in till as well as identify priority areas along the Rivière Waswanipi ductile shear zone (RWSZ) as well as other structures and contacts over a distance of 19 kilometres. A total of 36 till and humus samples were collected on the Apollo project.

On February 28, 2018, Tarku announced the identification of new gold targets from the results of the till sampling (refer to the February 28, 2018 news release available at www.tarkuresources.com and on www.sedar.com). Gold grain counts from till samples revealed strong zoning and highlighted a main area located on the project where samples with more than 15 gold grains are concentrated and which are above the regional background level. From this area, it is possible to identify 3 up-ice gold targets on Apollo and Atlas projects that may be the source of the gold grains and where the next exploration efforts will be concentrated. These targets are along or near the Rivière Waswanipi shear zone and are characterized by magnetic highs, carbonate-hematite-magnetite alteration and porphyritic and alkaline (syenitic) dykes anomalous in gold (225 ppb Au, Tarku's grab sample).

On January 22, 2019, the Apollo-Atlas heliborne high resolution magnetic (MAG) survey was completed by Prospectair Geosurvey Inc. from Gatineau, Quebec. The 271 line-kilometres survey using traverse line at 100 m spacing targeted the 6 km wide priority sector identified along the rivière Waswanipi shear zone following the fall 2017 till sampling program. The final report by Dynamic Discovery Geoscience of Ottawa was received on March 3.

The interpretation of the survey data has generated many high-priority drill targets focusing on structural intersections, interpreted alkaline intrusions and historic untested geophysical anomalies (refer to the April 10, 2019 news release available at www.tarkuresources.com and on www.sedar.com).

b) Exploration work completed and anticipated

During the year ended September 30, 2019 the Company incurred \$22,428 (September 30, 2018 - \$73,134) in exploration expenditures in connection with this project and received \$34,528 (September 30, 2018 - \$19) in exploration ITCs in connection with previous years exploration expenditures.

In 2020, the Company plans to complete the first drilling program on the Apollo-Atlas projects targeting identified priority targets.

Atlas Au-Zn-Ag-Cu project, Quebec

a) Project description

The Atlas project is located 50 km east of Matagami within the Cree communities of Waswanipi (category III lands) of the Eeyou Istchee James-Bay territory. The project covers 89 claims and is year-round accessible via the Route 1055 bush road.

On June 1, 2017, the Company purchased 100% of Eureka Exploration through a share purchase agreement (refer to the September 29, 2015 news release available at www.tarkuresources.com and on www.sedar.com) and now hold 100% of the Atlas project.

The Atlas Project is characterized by the presence of a volcanic sequence with facies and geochemical affinities similar to those of the Bousquet Formation in the southern Abitibi (host to the Au-Zn-Cu-Ag LaRonde mine). This volcanic sequence that is in contact with sedimentary rocks is affected by aluminous sericite-chloritoid alteration. These observations are favourable indicators for the presence of gold-rich volcanogenic massive sulphide mineralization (Au-Ag-Cu-Zn). *The Company cautions that the mineralization at the LaRonde mine may not be indicative of the mineralization that may be identified on the Company's Matagami properties and is used as a conceptual exploration model only.*

In 1987, Finnith Exploration found that more than 60% of their till samples contained gold grains (from 1 to 19 gold grains; Quebec government statutory report GM 46862, 1987). In 1988, Inco's till sampling program yielded several gold values exceeding 0.5 g/t Au in the heavy mineral fractions, including a maximum value of 4.94 g/t Au (GM 48222). All these historical results are down-ice from the Rivière Waswanipi shear zone that hosts the Rivière Waswanipi showing (2.36 g/t Au over 1 m; 1991, GM 51193).

From October 31, 2017 to November 6, 2017, Tarku mandated IOS Service Géoscientifique, of Chicoutimi, to complete a ground and helicopter-assisted till, humus and rock sampling program. The planned work program aims to validate the historical results of gold grains found in till as well as identify priority areas along the Rivière Waswanipi shear zone (RWSZ) as well as other structures and contacts over a distance of 19 kilometres. A total of 44 till and humus samples were collected on the Atlas Project.

On February 28, 2018, Tarku announced the identification of new gold targets from the preliminary results of the till sampling (refer to the February 28, 2018 news release available at www.tarkuresources.com and on www.sedar.com). Gold grain counts from till samples revealed strong zoning and highlighted a main area located on the Atlas project where samples with more than 15 gold grains are concentrated, which are above the regional background level. From this area, it is possible to identify 3 up-ice gold targets on Apollo and Atlas projects that may be the source of the gold grains and where the next exploration efforts will be concentrated. These targets are along or near the Rivière Waswanipi shear zone and are characterized by magnetic highs, carbonate-hematite-magnetite alteration and porphyritic and alkaline dykes (syenitic) anomalous in gold (225 ppb Au, Tarku's grab sample).

On January 22, 2019, the Apollo-Atlas heliborne high resolution magnetic (MAG) survey was completed by Prospectair Geosurvey Inc. from Gatineau, Quebec. The 271 line-kilometres survey using traverse line at 100 m spacing targeted the 6 km wide priority sector identified along the rivière Waswanipi shear zone following the fall 2017 till sampling program. The final report by Dynamic Discovery Geoscience of Ottawa was received on March 3.

The interpretation of the survey data has generated many high-priority drill targets focusing on structural intersections, interpreted alkaline intrusions and historic untested geophysical anomalies (refer to the April 10, 2019 news release available at www.tarkuresources.com and on www.sedar.com).

b) Exploration work completed and anticipated

During the year ended September 30, 2019 the Company incurred \$5,500 (September 30, 2018 - \$55,339) in exploration expenditures in connection with this project and received \$24,748 (September 30, 2018 - \$nil) in exploration ITCs in connection with previous years exploration expenditures.

In 2020, the Company plans to complete the first drilling program on the Apollo-Atlas projects targeting identified priority targets.

Admiral gold project, Quebec

a) Project description

The Admiral project is located 25 km east of Matagami within the Cree communities of Waswanipi (category III lands) of the Eeyou Istchee James-Bay territory. The project covers 30 claims and is year-round accessible via the Route de la Baie-James highway.

On June 1, 2017, the Company purchased 100% of Eureka Exploration through a share purchase agreement (refer to the September 29, 2015 news release available at www.tarkuresources.com and on www.sedar.com) and now hold 100% of the Admiral project.

On December 14, 2018 the Company entered into a purchase agreement, with an arms length party, to acquire 100% undivided interest in 1 claim (containing the Lac Olga West gold showing) adjacent to the Admiral Project.

Under the terms of the agreement the consideration required to be given by the company is:

- (i) \$600 cash payment, in total, upon approval of the TSX Venture Exchange (Paid)
- (ii) Issuance of 12,500 common shares, in total upon approval of the TSX Venture Exchange (Issued)

The Admiral project is centered on the junction of the two regional and ductile Rivière Waswanipi and Lac Olga shear zones. Few drill holes have been completed on this project that contains the Lac Olga West showing (5.9 g/t Au in a quartz-carbonate-pyrite vein; Quebec government statutory report GM 49140, 1989). This project has potential for mesothermal orogenic gold type mineralization as well as for orogenic gold mineralization associated with alkaline rocks and porphyry intrusions. Furthermore, the geological context of the project is interpreted as similar to the Goldcorp's high-grade quartz-tourmaline deposit *Indice Principale zone Olga* (14.75 g/t Au, 1.14% Cu and 10.3 g/t Ag over 1.50 m, GM 50632) that is located east of the Admiral project.

In May 2018, the Company mandated Prospectair Geosurvey Inc. from Gatineau Québec to conduct an airborne high-resolution magnetic (MAG) survey to locate the two regional shear zones that join on the Admiral project as well as other structures that could lead to mineralization traps. The data

was processed and interpreted by Dynamic Discovery Geoscience of Ottawa. The survey was completed on May 24, 2018 using traverse line at 100 m spacing for a total of 294 line-kilometers.

The survey demonstrated a previously unrecognised structural complexity and revealed the presence of numerous secondary structures and major folds in a 1 to 1.5 km wide corridor bordered to the north and south by the two major shear zones. The interpreted data identifies priority drilling targets defined by the intersection of structures, the axial planes of folds, historical electromagnetic Input anomalies and by a non-magnetic signal or low magnetic features which may represent silica-tourmaline alteration zones as observed at the Indice Principal zone Olga deposit.

b) Exploration work completed and anticipated

On March 26, 2019 the Company announced the completion of the first Admiral drilling campaign for a total of 796 meters completed in 5 drill holes and released preliminary observations (refer to the news release available at www.tarkuresources.com and on www.sedar.com). The drilling contract was awarded to Forage RJLL of Rouyn-Noranda, Québec and the campaign was conducted from February 13 to 26, 2019.

The objective of the drilling program was to evaluate select targets along a 1 to 1.5 km wide corridor identified by Tarku's previous high-resolution geophysical survey and data compilations and that contains the Lac Olga Ouest gold showing (5.9 g/t Au, grab sample, GM 49140). Most of the holes intersected brittle-ductile faults zones with injections of "syenitic and monzonitic" dykes. Albite-ankerite-hematite alterations with local tourmaline-quartz-pyrite veinlets were observed.

On June 6, 2019, the Company provided the results of the Admiral drilling campaign (refer to the news release available at www.tarkuresources.com and on www.sedar.com). Even though the samples did not return any economic gold results, the 5 drill holes demonstrated the presence of numerous elements consistent with the orogenic gold-type exploration model associated with alkaline rocks and porphyry intrusions (syenite-associated type). The results allow the correlation of the anomalous presence of gold traces in tuff in association with syenitic to monzonitic dykes with albite-ankerite-hematite alteration.

A total of 163 samples were assayed for gold (fire assay with AAS) and for 33 metals and traces (four acids with ICP-AES finish). Twenty-six (26) samples were also sampled for whole rock characterization (combination of aqua regia, four acids and fusion with ICP-AES and ICP-MS finish). All the samples were processed at ALS-Minerals laboratory located in Val-d'Or, Thunder Bay or Vancouver.

During the year ended September 30, 2019 the Company incurred \$141,028 (September 30, 2018 - \$25,391) in exploration expenditures in connection with this project.

Net Smelter Royalty

Each of the former Eureka Exploration projects (Richardson, Bullion, Apollo, Atlas and Admiral) is subject to (refer to the June 1st, 2017 news release available at www.tarkuresources.com and on www.sedar.com):

- a. 1% NSR in favour of Julien Davy, a director and officer of the Company, half of which can be bought back by the Company for \$500,000.
- b. 1% NSR in favour of Benoit Lafrance, a director and exploration manager of the Company; half of which can be bought back by the Company for \$500,000.

Lac Fabien V-Fe-Ti project, Quebec

a) Project description

The Lac Fabien project is located in the Mauricie administrative region, 130 km North West of Quebec City and at only 3km from the Lac St-Jean freight and passenger railroad. The project which is accessible by regional and bush roads encompasses 37 mining titles.

On February 18, 2019, the Company signed an option agreement with arm's length individuals, to acquire 100% of the Lac Fabien Project.

The Company will have the option to acquire a 100% interest in the project by funding expenditures on the project, issuing shares and making cash payments, according to the following schedule:

- (i) make total cash payments of \$720,000 and issue a total of 1,500,000 shares of the Company as follows:
 - (1) on execution of the option agreement and approval of the TSX Venture Exchange, \$25,000 in cash (paid) and 1,500,000 shares (issued);
 - (2) \$90,000 in cash before the 1st anniversary date (unpaid);
 - (3) \$125,000 in cash before the 2nd anniversary date (unpaid);
 - (4) \$180,000 in cash before the 3rd anniversary date (unpaid);
 - (5) \$300,000 in cash before the 4th anniversary date (unpaid);
- (ii) fund expenditures of not less than \$1,100,000 according to the following schedule:
 - (1) \$100,000 before the 1st anniversary date (not incurred);
 - (2) \$250,000 before the 2nd anniversary date (not incurred);
 - (3) \$350,000 before the 3rd anniversary date (not incurred);
 - (4) \$400,000 before the 4th anniversary date (not incurred);

In addition, the Company will grant a 2% NSR, with the Company having the right to buy down the royalty to 1% for \$1,500,000.

The Lac Fabien project initially highlighted its potential for magmatic Fe-Ti-V-P mineralization in 2001 (0.58% V₂O₅, 59.31% Fe₂O₃; GM 60997). The vanadium-rich magnetite sub vertical beds are hosted in layered mafic-ultramafic intrusions associated with anorthosite.

Recent exploration work returned over 25 grab samples containing > 0.25% V₂O₅ distributed in a 1.2 km by 300 m area. Results include 0.48% V₂O₅ on a grab sample and 11 m @ 0.22% V₂O₅ in channel samples. Preliminary results from Davis tube tests showed very good recovery of magnetite concentrate that returned values from 1.37 to 1.67% V₂O₅ and 55 to 65% Fe.

A recent magnetic survey completed by the Quebec government in 2015 demonstrates that the magnetic anomaly associated with the vanadium mineralization extends over 6 km in length. The mineralized area is characterized by thin to no overburden suggesting a potential good stripping ratio in the anticipation of an open-pit mining scenario, should economic viability warrant.

b) Exploration work completed and anticipated

During the year ended September 30, 2019 the Company incurred \$nil in exploration expenditures in connection with this project.

In 2020, Tarku is planning to conduct exploration work, including extensive rock sampling, channel sampling and stripping aiming to validate the thickness and continuity of the mineralized vanadium zones as well as the grade distribution. Work will also include preliminary metallurgical testing to demonstrate the recovery quality of the vanadium at the Lac Fabien project.

Guercheville Au-Cu-Zn project, Quebec

a) Project description

The Guercheville project is located about 50 km SW of Chapais within the Cree communities of Waswanipi (category III lands) of the Eeyou Istchee James-Bay territory. The SOQUEM 100% owned project, covers 80 claims and is year-round accessible via the 3000 bush road starting from the 113 highway.

On January 15, 2018, the Company signed of an option and joint venture agreement with SOQUEM Inc., a subsidiary of Ressources Québec, to acquire 50% of the Guercheville Project. According to the terms of the option agreement, signed on January 15, 2018 (the "Effective Date"), the Company has the option to acquire a 50% interest in the Guercheville Project by incurring \$2,000,000 in exploration work over a period of three (3) years according to the following schedule:

- (i) \$350,000 by the first anniversary of the Effective Date;
- (ii) \$650,000 by the second anniversary of the Effective Date; and
- (iii) \$1,000,000 by the third anniversary of the Effective Date.

Upon acquisition of the 50% interest, SOQUEM and Tarku will form a joint venture.

The Guercheville project is characterized by a sequence of predominantly mafic volcanic rocks with comagmatic gabbro and the presence of intermediate to felsic volcanoclastic rocks, wacke and graphitic mudstone in the northeast part of the mining titles. The anorthositic Opawica River complex and the felsic Opawica intrusion intrude the volcanic rocks in the southwest part of the project. Some well-defined shear zones are observed locally, otherwise the volcanic textures are well preserved. The project is adjacent to the Fenton volcanogenic/epithermal deposit which is characterized by auriferous semi-massive pyrite and pyrrhotite. Recent drilling results published by Cartier Resources on the adjacent Fenton project (25 m @ 2.1 g/t Au; see press release from Cartier Resources published on January 31, 2018) highlights the potential associated with geophysical anomalies that extend to the Guercheville project. *Tarku cautions that past results or discoveries on proximate land are not necessarily indicative of the results that may be achieved on the Guercheville project.*

Several gold and polymetallic showings have been identified by SOQUEM in the last ten years in different parts of the Guercheville project in the form of sulphide-bearing quartz veins or veinlets and disseminated sulphides. Their spatial distribution suggests the presence of multiple prospective horizons, indicating a robust mineralizing system. Some of these showings included: Clikendish showing (124 g/t Au, grab sample and 20.7 g/t Au over 0.5 m, channel sample); Lac Fenton West showing (19.17 g/t Au, grab sample); 17.42 g/t Au, 2.45% Zn (grab sample); and 4.2 g/t Au, 20.8% Zn (grab sample) (refer to the February 6, 2018 news release available at www.tarkuresources.com and on www.sedar.com).

b) Exploration work completed and anticipated

A drilling campaign conducted from January 29, 2018 to March 11, 2018 and totaling 11 drill holes for 2,469 m was completed on the Guercheville project. A total of 1,087 drill core samples were collected and sent to the ALS Minerals laboratories of Val-d'Or and Vancouver for Au-Ag-Cu-Zn

assays as well as for some whole rocks and trace metals analysis. The purpose was to follow up on the gold and polymetallic surface showings and to test specific areas of chargeability anomalies and magnetic highs that have been identified by SOQUEM over the past few years.

On June 14, 2018 the Company announced the intersection of 16.7 g/t Au and 0.1 % Cu over 1 meter at the Guercheville project (refer to the June 14, 2018 news release available at www.tarkuresources.com and on www.sedar.com). The hole 1391-18-30 intersected from 5 m to 6 m an altered basalt with quartz veinlets on a new horizon located about 60 meters north of the known Lac Fenton West surface showing (19.17 g/t Au, grab sample). These results suggest the presence of several mineralized horizons in this area now drilled for the first time.

In November, 2018, the company announced that, following careful analysis of results of the 11 drill-hole program completed on the Guercheville project, it will not pursue the option to acquire a 50% interest in the project. Tarku has withdrawn from any future obligations related to this agreement, including those already secured by SOQUEM during the 2018 winter drilling campaign.

During the year ended September 30, 2019 the Company incurred \$nil (2018 - \$101,857) in exploration expenditures in connection with this project.

Virgin River Au-Cu-U project, Saskatchewan

a) Project description

The Virgin River project, constituted of 1 mining dispositions (13.34 km²), is located 20 km south of the Athabasca Basin in the Northern mining district of Saskatchewan. The project is accessible by float or ski equipped aircraft from the community of Buffalo Narrows located 115 km south of the project.

On August 16, 2016, the project option agreement was amended as follows: 100% of the project was transferred to the Company with no other liabilities or commitments. In consideration, the Company issued 2,000,000 common shares, which were issued during the year ended September 30, 2017. Eagle Plains will maintain a 2% NSR, with the Company having the right to buy down the royalty to 1% for \$1,000,000 on or before commencement of commercial production.

The project is located along the Virgin River Fault, a major crustal boundary between two structural domains. The area is underlain by mixed metasedimentary units, intermediate volcanics and significant felsic intrusive bodies, a favorable setting for the deposition of significant structurally related mineral deposits.

The area covered by the project has been explored intermittently beginning in the 1950's through to the present time. The initial focus was on base and precious metals with a few minor mineral occurrences identified up to the mid 1960's (e.g. Aspholm-Nyberg Lakes : 0.42 oz/t Ag over 5 feet in sulphide rich, silicified greywacke). In the 1970's the effort shifted to the uranium exploration.

In 2013, prospecting and geological mapping returned a gold value of 2.26 g/t Au accompanied by weakly anomalous Cu (140 ppm) and very high arsenic values (10,000 ppm) in the northernmost claim in the Virgin River area.

Several poorly to well defined northeast trending EM conductors, verified locally by geological mapping, have been identified by the historic airborne surveys. All of these features, in conjunction with significant gold values up and anomalous base metal and uranium values throughout the mining titles illustrate the exploration potential of the Virgin River project (Billard, 2014).

In 2014, geological mapping and a sampling program was conducted as well as 976 line km geophysical survey. The geophysical survey generated more than 70 linear kilometers of moderate to strong multichannel EM conductors. Geochemical pathfinders for gold and uranium mineralization identifies from the soils sampling program include As, Ag, Sb, Bi, Cu, Co.

b) Exploration work completed and anticipated

During the year ended September 30, 2019 the Company incurred \$nil (2018 - \$nil) in exploration expenditures in connection with this project. In addition, the Company allowed the claims to expire, except 1 claim and had recorded a \$100,000 impairment related to this property in fiscal 2018.

On December 10, 2018. The Company sold the Virgin river claims. As consideration, the Company received \$2,500 cash and was granted a 1% net smelter royalty. Under the terms of the royalty, the purchaser can reduce the royalty by 50% in exchange for a cash payment of \$500,000.

Summary of Financial Information

Selected financial information of the Company, for the years ended September 30, 2019, 2018 and 2017, is presented in the table below. The financial data has been prepared in accordance with IFRS and reported in Canadian dollars.

	September 30, 2019	September 30, 2018	September 30, 2017
Total Interest and other income	\$ 63,149	\$ 30,525	\$ 21,825
Net loss	(827,171)	(799,512)	(657,732)
Net loss per common share	(0.01)	(0.01)	(0.02)
Total assets	526,941	799,318	1,356,973
Total long term liabilities	-	-	-
Cash dividends per share	-	-	-

Quarterly Information				
	September 30, 2019	June 30, 2019	March 31, 2019	December 31, 2018
Total Interest and other income	\$ nil	\$ 5,830	\$ 48,567	\$ 8,752
Net Income (loss) for the period	(472,085)	(27,855)	(244,485)	(82,724)
Net loss per common share	(0.01)	(0.00)	(0.00)	(0.00)
Total assets	526,941	863,998	913,082	984,995
Total long term liabilities	-	-	-	-

	September 30, 2018	June 30, 2018	March 31, 2018	December 31, 2017
Total Interest and other income	\$ 8,400	\$ -	\$ 27,000	\$ 11,925
Net income (loss) for the period	125,062	(226,474)	(494,231)	(203,869)
Net income (loss) per common share	(0.00)	(0.00)	(0.01)	(0.00)
Total assets	799,318	1,031,307	1,061,928	1,107,352
Total long term liabilities	-	-	-	-

Results for the year ended September 30, 2019

For the year ended September 30, 2019, the Company incurred total expenditures of \$542,757 (2018 - \$676,587) and recognized a net and comprehensive loss of \$827,171 (2018 - \$799,512). The components of expenses are \$58,735 (2018 - \$111,541) in administrative expenses, \$161,440 (2018 - \$197,840) in consulting fees, \$100,774 (2018 - \$250,853) in exploration costs, \$19,053 (2018 - \$42,957) in investor relations expenses, \$22,175 (2018 - \$20,012) in listing and filing fees, \$35,875 (2018 - \$42,984) in professional fees and \$144,705 (2018 - 10,400) in share-based compensation.

In addition, the Company recognized a other income on disposal of exploration and evaluation asset of \$2,499 (2018 - \$nil) and impairment of exploration and evaluation assets of \$347,563 (2018 - \$153,450) and other income on recognition of flow-through premium of \$60,650 (2018 - \$30,525)

The total expenditures for the year ended September 30, 2019 decreased \$133,830 from the year ended September 30, 2018. Notably, there are significant changes in administrative expenses, consulting fees, exploration costs, and investor relations expense resulting from a decrease in corporate activity. In fiscal 2019, the Company had difficulty obtaining significant financing which resulted in management reducing expenditures and assess the direction of the Company and its projects. The Company continues to pursue financings, explore the existing projects and seek out new opportunities.

Results for the three months ended September 30, 2019

For the three months ended September 30, 2019, the Company incurred total expenditures (recovery) of \$124,543 (2018 - (\$286,910)) and recognized a net and comprehensive income (loss) of (\$472,085) (2018 - (\$125,062)). The components of expenses are \$2,817 (2018 - \$23,612) in administrative expenses, \$39,360 (2018 - \$32,960) in consulting fees, (\$6,920) (2018 - \$245,007) in exploration costs, net of ITC recoveries, \$728 (2018 - (\$2,975)) in investor relations expenses, \$1,215 (2018 - \$1,610) in listing and filing fees, \$21,838 (2018 - \$15,290) in professional fees and \$nil (2018 - \$112,400) in share-based compensation.

In addition, the Company recognized impairment of exploration and evaluation assets of \$347,563 (2018 - \$153,450) and other income (expense) on recognition of flow-through premium of \$nil (2018 - \$8,400).

The net loss in the three months ended September 30, 2019 increased significantly from the comparative period as a result of a larger impairment of exploration and evaluation assets partially offset by reduced administrative expenses, and exploration costs.

Disclosure of Outstanding Share Data

The Company has an unlimited number of common shares without par value authorized for issuance.

As of January 27, 2020, the Company had 76,148,797 common shares outstanding, of which no shares are held in escrow.

As of January 27, 2020, the Company has 11,818,648 warrants outstanding with exercise prices of \$0.05 to \$0.10 and expiry dates of February 21, 2020 to May 23, 2021.

As of January 27, 2020, the Company has 6,350,000 stock options outstanding with an exercise price of \$0.10 and expire October 26, 2021 and March 13, 2024.

Liquidity and Capital Resources

At September 30, 2019, the Company held cash and cash equivalents of \$62,643 (September 30, 2018 - \$57,889), trade and other receivables of \$9,257 (September 30, 2018 - \$37,438), exploration and evaluation assets of \$455,041 (September 30, 2018 - \$703,991), trade and other payables of \$244,599 (September 30, 2018 - \$107,295), and a flow-through premium liability of \$2,933 (September 30, 2018 - \$17,400). The Company had working capital deficiency of \$175,632 (September 30, 2018 working capital deficiency - \$29,368).

On February 21, 2018, the Company completed a private placement for gross proceeds of \$321,000 as follows: issued 3,900,000 non-flow-through units at a price of \$0.05 per unit and 1,800,000 flow-through common shares at a price of \$0.07 per flow-through share. Each non-flow through unit consists of one non-flow-through common share and one-half of a common share purchase warrant. Each full warrant will entitle the holder to purchase one common share of the Company at a price of \$0.10, expiring February 21, 2020. In connection with the flow-through portion of the financing completed, a total of \$36,000 (\$0.02 per share) was allocated as a flow-through premium liability. No value was attributed to the warrant component of the units sold. The Company incurred share issue costs of \$24,133.

On November 23, 2018, the Company closed a private placement for gross proceeds of \$283,550. The private placement consisted of 7,250,000 non-flow through units and 4,618,331 flow-through shares. Each non-flow through unit consisted of one common share and one-half of one common share purchase warrant. Each warrant entitles the holder to acquire one common share at a price of \$0.05 per common share for a period of eighteen months, expiring on May 23, 2021. In connection with the flow-through portion of the financing completed, a total of \$46,183 (\$0.01 per share) was allocated as a flow-through premium liability. No value was attributed to the warrant component of the units sold. The Company incurred share issue costs of \$17,615.

On February 27, 2019, 1,500,000 common shares were issued at a fair value of \$67,500 (\$0.045 per share) to non-arm's length vendors, in total, pursuant to a property option agreement in respect of the Lac Fabien project, Quebec.

The Company's continuing operations are totally dependent upon the Company's ability to obtain the necessary financing or making alternative financial arrangements to meet its obligations and pay its liabilities.

New standards, amendments and interpretations not yet adopted

Although the Company does not expect any of the following changes to have a material impact on the financial results of the Company, the Company has not yet fully assessed the impact of these standards and amendments:

IFRS 16 – 'Leases'

In January 2016, the IASB issued IFRS 16 Leases which replaces the previous leases standard, IAS 17 Leases. IFRS 16 eliminates the classification of leases as either operating leases or finance leases as is required by IAS 17 and, instead, introduces a single lessee accounting model. Lessors continue to classify leases as operating leases or finance leases, and account for those two types of leases differently. IFRS 16 is effective for periods beginning on or after January 1, 2019.

Risks and Uncertainties

Management's estimates of mineral prices, mineral resources and operating costs are subject to certain risks and uncertainties which may affect the Company's operation. Although management has made its best estimate of these factors, it is possible that material changes could occur which may adversely affect management's estimate of operating requirements. The Company's success will be dependent upon the extent to which it can discover mineralization or acquire mineral properties and the economic viability of

developing its properties. Substantially all of the Company's operating and exploration funding must be derived from external financing. Should changes in equity market conditions prevent the Company from obtaining additional external financing; the Company will need to review its exploration and development programs and future planning.

Commitments and contingencies

As of September 30, 2019, the Company has \$1,100 (September 30, 2018 - \$17,600) in term deposits with a Canadian financial institution for the guarantee of business credit cards.

Financial risk management

The Company is exposed in varying degrees to a variety of financial instrument related risks by virtue of its activities. The overall financial risk management program focuses on preservation of capital, and protecting current and future Company assets and cash flows by reducing exposure to risks posed by the uncertainties and volatilities of financial markets.

The types of risk exposure and the way in which such exposures are managed are as follows:

Credit Risk - The Company's credit risk is primarily attributable to its liquid financial assets. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash and cash equivalents with high-credit quality financial institutions. The Company does not have financial assets that are invested in asset backed commercial paper.

Liquidity Risk – – The Company ensures that there is sufficient capital in order to meet short term business requirements.

Interest rate risk – In respect to the Company's financial assets, the interest rate risk mainly arises from the interest rate impact on our cash and cash equivalents. For the year ended September 30, 2019, every 1% fluctuation in interest rates up or down would have had little impact on net loss.

Commodity price risk – The value of the Company's mineral resource properties is related to the price of various commodities and the outlook for them. Commodity prices have historically fluctuated widely and are affected by numerous factors outside of the Company's control, including, but not limited to, industrial retail demand, central bank lending, forward sales by producers and speculators, level of worldwide production and short-term changes in supply and demand.

Risk Factors

Exploration and Development

Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The Company's properties are in the exploration stage. There is no assurance that the Company's mineral exploration and development activities will result in any discoveries of commercial bodies of minerals. The long-term profitability of the Company's operations will in part be directly related to the costs and success of its exploration and development programs, which may be affected by a number of factors.

Development of the Company's properties will only be potentially pursued if favourable exploration results are obtained that demonstrate that potential economic extraction of minerals is justified.

The business of exploration for minerals and mining involves a high degree of risk. Whether a mineral deposit can be commercially viable depends upon a number of factors, including, but not limited to, the particular attributes of the deposit, including size, grade and proximity to infrastructure; metal prices, which can be highly variable; and government regulations, including environmental and reclamation obligations. Few properties that are explored are ultimately developed into profitable, producing mines.

Substantial expenditures are required to establish the continuity of mineralized zones through drilling and to develop and maintain the mining and processing facilities and infrastructure at any site chosen for mining. No assurance can be given that funds required for any proposed development of the Company's properties can be obtained on a timely basis, if at all.

The marketability of any minerals acquired or discovered by the Company in the future may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which may result in the Company not receiving an adequate return on investment capital.

There is no assurance that the TSX-V or any regulatory authority having jurisdiction will approve the acquisition of any additional properties by the Company, whether by way of option or otherwise.

Financial Capability and Additional Financing

The Company has limited financial resources, and there is no assurance that additional funding will be available to it for further exploration and development of its projects. There can be no assurance that it will be able to obtain sufficient financing in the future to carry out exploration and development work on its projects. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions as well as the business performance of the Company.

Mining Titles

There is no guarantee that the Company's title to or interests in the Company's project interests will not be challenged or impugned. The acquisition of title to mineral properties is a very detailed and time-consuming process. Title to the area of mineral properties may be disputed. There is no guarantee of title to any of the Company's properties. The Company's properties may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects. With the exception of certain Crown Granted Mineral Claims and legacy tenures, the Company has not surveyed the boundaries of its properties and consequently the boundaries may be disputed.

There can be no assurance that the Company's rights will not be challenged by third parties claiming an interest in the properties.

Management

The success of the Company is currently largely dependent on the performance of its officers. The loss of the services of these persons could have a materially adverse effect on the Company's business and prospects. There is no assurance the Company can maintain the services of its officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Company and its prospects.

Conflicts of Interest

Certain directors and officers of the Company are, and may continue to be, involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of the Company. Situations may arise in connection with potential acquisitions in investments where the other interests of these directors and officers may conflict with the interests of the Company. Directors and officers of the Company with conflicts of interest will be subject to the applicable corporate and securities legislation, regulation, rules and policies.

Dilution

There are a number of outstanding warrants pursuant to which additional common shares of the Company may be issued in the future. Exercise of such warrants may result in dilution to the Company's shareholders. In addition, if the Company raises additional funds through the sale of equity securities, shareholders may have their investment further diluted.

History of Losses and No Assurance of Profitable Operations

The Company has incurred a loss since inception. There can be no assurance that the Company will be able to operate profitably during future periods. If the Company is unable to operate profitably during future periods, and is not successful in obtaining additional financing, the Company could be forced to cease its exploration and development plans as a result of lacking sufficient cash resources.

The Company has not paid dividends in the past and has no plans to pay dividends for the foreseeable future.

Uninsurable Risks

In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions may occur. These unexpected or unusual conditions may include rock bursts, cave-ins, fires, flooding and earthquakes. It is not always possible to fully insure against such risks and the Company may decide not to take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Company.

Environmental and Safety Regulations and Risks

Environmental laws and regulations may adversely affect the operations of the Company. These laws and regulations set various standards regulating certain aspects of health and environmental quality. They provide for penalties and other liabilities for the violation of such standards and establish, in certain circumstances, obligations to rehabilitate current and former facilities and locations where operations are or were conducted. Furthermore, the permission to operate could be withdrawn temporarily where there is evidence of serious breaches of health and safety, or even permanently in the case of extreme breaches.

Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of acquired properties or non-compliance with environmental laws or regulations.

Fluctuating Mineral Prices

The Company's revenues, if any, are expected to be in large part derived from the sale of gold, copper, and possibly other metals. The prices of gold, copper, and other commodities have fluctuated widely in recent years and are affected by factors beyond the control of the Company including, but not limited to, economic and political trends, currency exchange fluctuations, economic inflation and expectations for the level of economic inflation in the consuming economies, interest rates, global and local economic health and trends, speculative activities and changes in the supply of gold and copper due to new mine developments, mine closures, and advances in various production and technological uses for gold and copper. All of these factors will have impacts on the viability of the Company's exploration projects that are impossible to predict with certainty.

Competitive Conditions

The mining industry is intensely competitive in all its phases, and the Company competes with other companies that have significantly greater financial resources and technical facilities. Competition in the precious metals mining industry is primarily for mineral rich properties which can be developed and produced economically; the technical expertise to find, develop, and produce such properties; the labour to operate the properties; and the capital for the purpose of financing development of such properties. Many competitors not only explore for and mine precious metals, but conduct refining and marketing operations on a world-wide basis and some of these companies have much greater financial and

technical resources than the Company. Such competition may result in the Company being unable to acquire desired properties, recruit or retain qualified employees or acquire the capital necessary to fund its operations and develop its properties. The Company's inability to compete with other mining companies for these mineral deposits could have a material adverse effect on the Company's results.

Price Volatility of Publicly Traded Securities

In recent years, the securities markets in the United States and Canada have experienced high levels of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. Any quoted market for the common shares may be subject to market trends generally, notwithstanding any potential success of the Company in creating revenues, cash flows or earnings.

Inadequate Infrastructure May Affect the Company's Operations

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, community, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations, financial condition and results of operations.

Related party transactions

The Company had the following related party transactions during the year ended September 30, 2019:

- (a) Julien Davy, an officer and director of the Company provided consulting services to the Company. Fees incurred during the period were \$96,000 (2018 - \$86,400). At September 30, 2019, \$83,497 (September 30, 2018 - \$18,879) is recorded in trade and other payables.
- (b) Sylvain Laberge, a former officer and director of the Company provided consulting services to the Company. Fees incurred during the period were \$nil (2018 - \$40,000). At September 30, 2019, \$nil (September 30, 2018 - \$nil) is recorded in trade and other payables.
- (c) Jeff Sheppard, an officer and director of the Company provided consulting services to the Company. Fees incurred during the period were \$61,440 (2018 - \$61,440). At September 30, 2019, \$34,220 (September 30, 2018 - \$5,370) is recorded in trade and other payables.
- (d) Benoit Lafrance, a director of the provided exploration services to the Company. Geological consulting fees and wages incurred or accrued during the period were \$53,500 (2018 - \$86,000). At September 30, 2019, \$4,599 (September 30, 2018 - \$1,883) is recorded in trade and other payables.

Key Management Compensation

Year ended September 30,	2019	2018
Consulting fees	\$ 161,440	\$ 197,840
Administration expense	27,596	-
Exploration expense	21,904	86,000
Share based compensation to directors and officers	144,705	-
	\$ 355,645	\$ 283,840

Events after the reporting period

None

Critical Accounting Estimates

The Company's financial statements have been prepared in accordance with IFRS. The preparation of financial statements in accordance with IFRS required management to make estimates and assumptions that affect the reported amounts of assets and liabilities as at the date of the financial statements. Actual results could differ from these estimates. The significant accounting policies used by the Company in this regard are discussed in detail in the note 4 of the 2019 financial statements.

Financial Instruments

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Values based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities.

Level 2 – Values based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability.

Level 3 – Values based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

September 30, 2019	Level 1	Level 2	Level 3	Total
Assets:				
Cash and cash equivalents	\$ 62,643	\$ -	\$ -	\$ 62,643

On behalf of the Board of Directors

"Julien Davy"

Julien Davy
President, CEO and Director