

**NORDEN CROWN METALS CORPORATION  
(FORMERLY BOREAL METALS CORP.)  
(An exploration stage company)**

**FORM 51-102F1  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE THREE MONTHS ENDED MARCH 31, 2021**

Contents

Introduction .....3

Forward Looking Statements .....3

Description of Business .....4

Significant Events During the Period .....4

Exploration and Evaluation Assets .....5

Exploration Outlook ..... 11

Summary of Quarterly Results ..... 12

Results of Operations ..... 12

Compensation of Key Management Personnel and Related Parties Transactions ..... 13

Liquidity, Capital Resources and Going Concern ..... 14

Capital Management ..... 15

Financial Instruments ..... 15

Subsequent Events ..... 16

Off-Balance Sheet Arrangements ..... 17

Outstanding Share Data ..... 17

Risk Factors ..... 17

**Introduction**

This Management's Discussion and Analysis ("MD&A" or "Report") of the financial condition of Norden Crown Metals Corporation (formerly Boreal Metals Corp.) (an exploration stage company) ("Norden" or the "Company") and results of operations of the Company for the three months ended March 31, 2021 (the "Period") has been prepared by management in accordance with the requirements under National Instrument 51-102 as at May 27, 2021 (the "Report Date"). The Report should be read in conjunction with the Company's condensed consolidated interim financial statements for the three months ended March 31, 2021 and the notes thereto, and the audited consolidated financial statements for the year ended December 31, 2020, which have been prepared using accounting policies consistent with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS") and within which the Company's accounting policies are described in Note 3 (collectively, the "Financial Statements"). All dollar amounts in the Report are in Canadian dollars unless otherwise noted.

Since March 2020, various governmental measures have been implemented in Canada and the rest of the world in response to the coronavirus (COVID-19) pandemic. While the impact of COVID-19 and these measures are expected to be temporary, the current circumstances are dynamic and the impacts of COVID-19 on the Company's business operations cannot be reasonably estimated at this time. The Company anticipates this could have an adverse impact on its business, results of operations, financial position and cash flows in 2021. The Company continues to operate its business, and adheres to Canadian, Swedish and Norwegian Federal and Provincial emergency and health measures as those are developed. These government measures, which currently include government mandated temporary closures of international borders, have resulted in travel restrictions on Company personnel and service providers, and could impact the Company's ability to conduct its exploration programs in a timely manner. The Company continues to evaluate and adjust its exploration activities accordingly.

The Financial Statements, together with the MD&A, are intended to provide investors with a reasonable basis for assessing the performance and potential future performance of the Company and are not necessarily indicative of the results that may be expected in future periods. The information in the MD&A may contain forward-looking statements, and the Company cautions investors that any forward looking statements by the Company are not guarantees of future performance, as they are subject to significant risks and uncertainties that may cause projected results or events to differ materially from actual results or events. Please refer to the risks and cautionary notices of this MD&A. Additional information related to Norden is available for view on SEDAR at [www.sedar.com](http://www.sedar.com).

**Forward Looking Statements**

The Company's Financial Statements, and this accompanying MD&A, contain statements that constitute "forward-looking statements" within the meaning of National Instrument 51-102, Continuous Disclosure Obligations of the Canadian Securities Administrators. Forward-looking statements often, but not always, are identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect", "targeting" and "intend" and statements that an event or result "may", "will", "should", "could", or "might" occur or be achieved and other similar expressions. Forward-looking statements in this MD&A include statements regarding the Company's future exploration plans and expenditures, the satisfaction of rights and performance of obligations under agreements to which the Company is a part, the ability of the Company to hire and retain employees and consultants and estimated administrative assessment and other expenses. The forward-looking statements that are contained in this MD&A

involve a number of risks and uncertainties. As a consequence, actual results might differ materially from results forecast or suggested in these forward-looking statements. Some of these risks and uncertainties are identified under the heading "Risks and uncertainties" in this MD&A. Additional information regarding these factors and other important factors that could cause results to differ materially may be referred to as part of particular forward-looking statements. The forward-looking statements are qualified in their entirety by reference to the important factors discussed under the heading "Risks and uncertainties" and to those that may be discussed as part of particular forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Factors that could cause the actual results to differ include market prices, exploration success, continued availability of capital and financing, inability to obtain required regulatory approvals and general market conditions. These statements are based on a number of assumptions, including assumptions regarding general market conditions, the timing and receipt of regulatory approvals, the ability of the Company and other relevant parties to satisfy regulatory requirements, the availability of financing for proposed transactions and programs on reasonable terms and the ability of third-party service providers to deliver services in a timely manner. Forward-looking statements contained herein are made as of the date of this MD&A and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

Additional information relating to the Company and its operations can be obtained from the offices of the Company or on SEDAR at [www.sedar.com](http://www.sedar.com).

### ***Description of Business***

Norden is a mineral exploration company focused on the discovery of zinc, silver, lead, copper and gold, deposits in exceptional, historical mining project areas spanning Sweden and Norway. The Company aims to discover new economic mineral deposits in known mining districts that have seen little or no modern exploration.

Norden was incorporated under the Business Corporations Act (*British Columbia*) on December 31, 2013. The Company is listed on the TSX Venture Exchange (the "TSX-V" or "Exchange") as a Tier 2 mining issuer. On October 19, 2020, the Company changed its name to Norden Crown Metals Corporation, and on October 21, 2020, the common shares of the Company commenced trading on the TSX-V under the new symbol NOCR, without change to the Company's capital structure. The Company is listed on the Frankfurt Stock Exchange under the symbol "03E" and on the OTCQB under the symbol "BORMF". The Company's head office is located in North Vancouver, British Columbia, Canada.

### ***Significant Events During the Period***

#### Securities

- On February 17, 2021, the Company extended the expiry date of certain warrants allowing for the purchase of up to, in the aggregate, 17,060,934 common shares in the capital of the Company at

\$0.15 per share, from February 20, 2021 to February 20, 2022.

- On February 20, 2021, warrants allowing for the purchase of up to, in the aggregate, 120,800 common shares in the capital of the Company at \$0.15 per share expired, and on February 28, 2021, incentive stock options allowing for the acquisition of up to, in the aggregate, 550,000 common shares in the capital of the Company at \$0.20 per share expired.
- On April 22, 2021, the Company announced:
  - a non-brokered private placement (the "Offering") consisting of up to 40,000,000 units ("Units") at a price of \$0.10 per unit on a pre-consolidation basis (up to 13,333,333 Units at a price of \$0.30 per unit on a post-consolidation basis) for total gross proceeds of \$4,000,000. Each Unit will consist of one common share and one non-transferrable common share purchase warrant ("Warrant"), with each Warrant allowing for the purchase of one common share of the Company at a price of \$0.20 on a pre-consolidation basis (\$0.60 on a post-consolidation basis) for a period of 3 years from the date of closing of the Offering. The expiry date of the Warrants will be subject to acceleration, at the Company's discretion, if the Company's shares trade on a volume-weighted average price basis of \$0.60 on a pre-consolidation basis (\$1.80 on a post-consolidation basis) or higher for 10 consecutive trading days, in which case holders will have 30 days to exercise the Warrants.
  - a share consolidation on the basis of three existing common shares for one new consolidated common share (the "Consolidation"), which the Company anticipates completing on the date of closing of the Offering. The Consolidation is subject to acceptance by the TSX-V. In accordance with the Company's articles, the Consolidation may be approved by the Company's directors, and shareholder approval is not required.

### ***Exploration and Evaluation Assets***

In 2017, the Company entered into an agreement, as amended, with EMX Royalty Corporation ("EMX") (the "EMX Agreement") to acquire 100% each of EMX Exploration Scandinavia AB (now NOR Exploration AB ("NOR")) and Iekelvare Minerals AB ("Iekelvare") (together, the "Swedish Companies").

Through its Swedish Companies, the Company currently has two Scandinavian base and precious metal (zinc-lead-copper-silver-gold) exploration projects: the Gumsberg project in Sweden and the Burfjord project in Norway (collectively, the "Properties").

EMX has a 3% net smelter return ("NSR") royalty on each of the Properties. For each of these royalties, a 1% NSR may be purchased by the Company (on or before February 14, 2022 in respect of the Gumsberg project, and February 14, 2025 in respect of the Burfjord project), in 0.5% increments for a total of USD\$2,500,000, or, at the purchaser's election, USD\$2,000,000 plus shares of the Company equal in value to USD\$500,000.

EMX will receive annual advance royalty ("AAR") payments of USD\$20,000 for each of the Properties commencing on the second anniversary of the closing date of February 14, 2017, with each AAR payment increasing by USD\$5,000 per year until reaching USD\$60,000 per year per project. Upon reaching USD\$60,000, the AAR payments will be adjusted each year according to the Consumer Price Index (as published by the U.S. Department of Labor, Bureau of Labor Statistics). EMX will receive a 0.5% NSR royalty on any new mineral exploration projects generated by the Company in Sweden or Norway,

excluding projects acquired from a third party containing a mineral resource or reserve or an existing mining operation.

**Agreement with Boliden Mineral AB – Burfjord property**

On June 10, 2020, the Company entered into an Option Agreement with Boliden Mineral AB (“Boliden”), pursuant to which Boliden may earn an initial 51% interest (the “First Options”) in the Burfjord property in consideration for incurring US\$6,000,000 in exploration expenditures prior to June 10, 2024, and an additional 29% for an aggregate 80% interest (the “Second Option”), by funding further advancement work through the delivery of a NI 43-101 and PERC (Pan European Reserves & Resources Reporting Committee) compliant feasibility study and funding all annual costs to keep the property in good standing. EMX will retain a 3% NSR royalty on Burfjord, which includes advance royalty payments credited toward actual royalties payable upon production, of which 1% may be re-purchased prior to February 14, 2025. Boliden will solely fund the advance royalty payments due to EMX until the First Option is exercised, after which advance royalty payments will be paid by both the Company and Boliden in proportion to their respective proportionate interests in Burfjord. The Company will be the initial operator of Burfjord until the First Option is exercised. Upon exercise of the First Option, the Company and Boliden will form a Joint Venture to further advance the project, and Boliden will have the right to become the operator.

***Gumsberg VMS Project (Bergslagen District, Sweden)***

The strategically situated Gumsberg project consists of five exploration licenses in the Bergslagen Mining District of southern Sweden totaling over 16,370 hectares, where multiple zones of VMS style mineralization have been identified. Precious and base metal VMS-style mineralization at Gumsberg was mined from the 13th century through the early 19th century, with over 30 historic mines present on the property, most notably the Östra Silvberg mine, which was the largest silver mine in Sweden between 1250 and 1590.

On February 28 and May 2, 2018, the Company announced high grade and other encouraging drill results from the 2,545 metre diamond drill program conducted at Gumsberg in late 2018 and early 2019. These drill results confirmed the presence of high-grade silver-zinc-lead mineralization with significant associated copper and gold mineralization that extend along strike from and below the historic mine workings in the area. Also intersected were previously unrecognized zones of mineralization away from the mine workings. These represent novel discoveries of mineralization in the district. Drill intercepts included VMS-type exhalative massive sulfide horizons, primary replacement style and related high-grade lenses and shoots of silver-zinc-lead mineralization. Similar styles of mineralization occur throughout the Bergslagen district in southern Sweden, which is host to multiple world-renowned base metal sulphide deposits.

In September 2018, Norden announced the results of a 61-line kilometre, high resolution ground magnetometer survey at Gumsberg. The survey confirmed the potential for stacked or structurally repeated mineralized zones and provided better resolution of the known trends of mineralization in the area.

In December 2018, Norden commenced a further 1,000 metre drill program at Gumsberg to test a variety of shallow drill targets across the prospective high-grade VMS mineral trend in the Östra Silvberg mine

area. This drill program commenced in January 2019 and the results were released on January 28, 2019 and March 4, 2019. Norden announced a 1,500 metre drill program to conduct additional exploration drilling with the objective to extend the strike length and down-plunge continuation of this high-grade zone.

Drill highlights from previous Norden diamond drilling are presented in the table below (for full results please refer to Norden's news releases dated February 28, 2018, May 2, 2018, January 28, 2019 and March 3, 2019):

Hole ID	From Meters	To Meters	Length Meters	Zn %	Ag g/t	Pb %	Cu %	Au g/t	Prospect Name
BM-17-001 <sup>x</sup>	99.30	106.00	6.70	5.19	16.39	1.08	0.30	0.08	Vallberget
BM-17-002 <sup>x</sup>	88.10	88.62	0.52	5.65	1.63	0.06	0.19	0.05	Vallberget
BM-17-002 <sup>x</sup>	92.30	94.20	1.90	13.55	51.75	5.23	0.27	0.34	Vallberget
BM-17-003 <sup>x</sup>	101.35	102.55	1.20	6.73	25.00	2.10	0.35	0.12	Vallberget
BM-17-004 <sup>x</sup>	105.77	106.37	0.60	4.81	24.94	1.96	0.01	0.02	Vallberget
BM-17-005 <sup>y</sup>	122.30	133.24	10.94	16.97	656.70	8.52	0.03	0.76	Östra Silvberg
BM-17-005 <sup>y</sup>	155.43	165.00	9.57	5.87	183.90	2.33	0.04	0.52	
BM-17-005 <sup>y</sup>	178.16	179.00	0.84	11.56	218.02	5.77	0.04	0.30	
BM-17-006 <sup>x</sup>	14.88	19.95	5.07	3.00	9.25	0.96	0.06	0.02	Vallberget
BM-17-008 <sup>x</sup>	13.25	13.60	0.35	3.20	6.85	0.03	0.05	0.02	Vallberget
BM-17-008 <sup>x</sup>	86.35	87.15	0.80	1.16	0.85	0.05	0.02	0.00	Vallberget
BM-17-011 <sup>x</sup>	53.50	56.65	3.15	3.03	11.69	0.62	0.44	0.19	Vallberget
BM-17-011 <sup>x</sup>	130.50	137.20	6.70	7.01	11.14	0.44	0.10	0.00	
BM-17-012 <sup>w</sup>	321.00	322.00	1.00	1.22	6.20	0.60	0.00	0.10	Östra Silvberg
BM-17-012 <sup>w</sup>	325.00	329.00	4.00	1.01	4.25	0.42	0.01	0.19	
BM-17-012 <sup>w</sup>	332.00	339.00	7.00	1.56	12.20	0.85	0.02	0.18	
GUM-18-003 <sup>x</sup>	105.00	116.00	11.00	5.89	239.00	2.51	0.04	0.96	Östra Silvberg
GUM-18-004 <sup>x</sup>	162.16	173.17	11.01	7.45	275.12	2.65	0.05	0.77	Östra Silvberg

<sup>w</sup> True width unknown.

<sup>x</sup> Apparent widths reported - true widths are estimated between 80-100% of reported intervals.

<sup>y</sup> Apparent widths reported - true widths are estimated at 20-50% of reported interval.

Between March 19, 2019 and April 9, 2019, Norden executed a 1,562-meter diamond drilling program designed to test the continuity of near-surface, high grade targets at the Östra Silvberg, Vallberget and Gumsgruvan located on the Gumsberg License.

On July 9, 2019 Norden announced results from its seven-hole, 1,454.8 meter drilling program at the 100% owned Gumsberg project. The new Östra Silvberg South Discovery continued to return high grade silver-zinc-lead mineralization returning consistent intercepts from below surface to roughly 250 metres. Exploration drilling cut significant mineralization at each of the target areas (Table Below). Most of the drilling was conducted at the newly discovered South Zone at Östra Silvberg and returned up to 5.12% Zn, 2.27% Pb and 93 g/t Ag over 8.04 meters. Two of the four holes drilled at Östra Silvberg also intersected unmapped mine workings, which project to deeper levels and further east than was

indicated by historic mine. In addition to Norden's drill successes, this also suggests that mineralization is more extensive in the area than previously recognized.

Hole	From	To	Length	Zinc	Silver	Lead	Gold	Prospect
ID	(m)	(m)	(m)	(%)	(g/t)	(%)	(g/t)	Name
GUM-19-01 <sup>x</sup>	304.96	306.95	1.99	2.28	25.52	0.92	0.128	Ostra Silvberg
<i>Incl.</i>	304.96	306.08	1.12	3.38	37.88	1.31	0.171	
GUM-19-02 <sup>y</sup>	<i>No Significant Intercepts</i>							Ostra Silvberg
GUM-19-03 <sup>yy</sup>	262.25	270.29	8.04	5.12	93.05	2.27	0.434	Ostra Silvberg
GUM-19-04 <sup>y</sup>	77.60	77.80	0.20	2.77	12.75	0.07	0.003	Gumsgruvan
GUM-18-05B	2018 hole extended to 242.2 m depth where it hit unmapped historical mine workings							Ostra Silvberg
GUM-19-05	<i>No Significant Intercepts</i>							Gumsgruvan
GUM-19-06 <sup>y</sup>	177.10	178.10	1.00	1.84	7.70	1.40	0.108	Vallbergbet
GUM-19-06 <sup>y</sup>	183.10	184.10	1.00	1.04	3.24	0.69	0.091	

<sup>x</sup> Lengths reported as seen in drill core - true widths are estimated to be 50% of reported intervals.

<sup>y</sup> Lengths reported as seen in drill core - true widths are estimated to be 90% of reported intervals.

\* Hole encountered a previously unmapped stope and was terminated at 233.00 to 234.20.

In 2019 Norden applied for extensions for Gumsberg Licenses nr 1, 2, 6, 7 and 8. All licenses were renewed and extended for 3-4 year periods by the Inspectorate of Mines with the exception of Gumsberg nr 2. The Gumsberg nr 1 license was extended through January 1, 2023, and the Gumsberg nr 6, 7 and 8 licenses were extended through August 12, 2022.

On September 1, 2020, Norden conducted an orientation soil survey at the Fredriksson Gruva target on the Gumsberg property. A total of 112 soil samples collected at 15-25 centimetres below the organic horizon across 3 test lines with an average sample station spacing of 15 metres and an average line spacing of 100 metres. The results of this soil survey show anomalous zones of base metal enrichment throughout the area, and the Fredriksson Gruva target is being prepared for drill testing.

On November 16, 2020 Norden announced the commencement of a planned 2,500 meter drill program focused on the easternmost Östra Silvberg Target. The exploration program was designed to test the down-plunge and along-strike continuity of mineralization discovered ~50 meters south of the historical mine workings. Results from this program are expected in early 2021.

On February 25, 2021 Norden Crown Metals reported results from a 1,796.6 meters of diamond drilling at the Östrasilvberg Prospect located on its 100% owned Gumsberg Project. Several holes intersected variable widths of massive sulphides with significant high grade precious and base metal mineralization including, hole GUM 20-07 which intersected 2.6m of 476.27 g/t silver equivalent grade at a depth of 238.4m (Table 1). Hole GUM-07 also returned a 1.15m intercept with 661.27 g/t silver equivalent grade with an additional 2.7 g/t gold. Hole GUM 20-9 intersected 4.3m of 287.71 g/t silver equivalent grade at a depth of 123.7m. The highest grade intersection was in Hole GUM-20-03 which intersected 0.45m of 938.08 g/t silver equivalent grade at a depth of 91.8m.



Drill Hole	From (meters)	To (meters)	Length (meters)	Zinc (%)	Lead (%)	Silver (g/t)	Gold (g/t)	Silver Equivalent	Prospect Name
GUM-20-03	91.80	92.25	0.45	15.50	7.52	253.00	0.02	926.86	Östrasilvberg
GUM-20-04	330.35	330.70	0.35	1.13	2.54	82.90	0.01	179.05	Östrasilvberg
GUM-20-04	370.00	373.00	3.00	1.94	0.86	19.24	0.19	101.66	Östrasilvberg
<i>Incl.</i>	370.75	371.70	0.95	3.33	1.53	33.00	0.01	175.75	Östrasilvberg
GUM-20-07	238.40	241.70	2.60	6.76	2.91	159.82	0.42	444.98	Östrasilvberg
<i>Incl.</i>	238.40	239.30	0.90	13.73	4.23	381.39	0.36	920.90	Östrasilvberg
GUM-20-07	268.05	269.20	1.15	10.08	4.54	47.79	2.70	477.74	Östrasilvberg
GUM-20-08	313.15	313.50	0.35	1.39	2.16	133.00	0.00	228.50	Östrasilvberg
GUM-20-08	331.80	332.10	0.30	2.75	1.46	242.00	0.01	364.53	Östrasilvberg

*Insufficient work has been done to report true thickness and lengths reported as seen in drill core, true widths are estimated to be 50-65% of reported intervals based on 3D modeling and angle to core axis observations. Metal ratios are calculated assuming 100% recoveries at US \$1806 Gold, US \$27.65 Silver, US \$ 1.05 Lead, US \$ 1.29 Zinc.*

On March 1, 2021 Norden Crown announced results from an 11 hole, 2,365.6 metre diamond drill program at Gumsberg. Three holes at Fredriksson Gruva (totaling 569m) intersected between 8.15 and 13.60 meters of precious and base metal mineralized massive and semi-massive sulphides mineralization confirming that mineralization belongs to the Broken Hill Type (BHT) clan of silver rich zinc-lead ore deposits and that these wide zones are uniformly mineralized.

Drill Hole	Prospect Name	From (meters)	To (meters)	Length (meters)	Zinc (%)	Lead (%)	Silver (g/t)	Silver Equivalent
GUM-20-09	Fredriksson Gruva	123.70	134.05	10.35	5.24	1.84	43.86	217.57
GUM-20-09	Fredriksson Gruva	123.70	128.00	4.30	4.54	2.69	73.53	246.45
GUM-20-10	Fredriksson Gruva	122.00	130.20	8.20	1.55	0.38	14.98	63.14
GUM-20-10	Fredriksson Gruva	120.00	120.40	0.40	8.18	0.01	2.98	216.11
GUM-20-10	Fredriksson Gruva	122.00	126.50	4.50	1.72	0.40	14.99	67.84
<i>Incl.</i>	Fredriksson Gruva	128.00	130.20	2.20	2.15	0.61	19.63	87.93
GUM-20-10	Fredriksson Gruva	134.90	148.50	13.60	6.05	1.39	43.20	229.08
<i>Incl.</i>	Fredriksson Gruva	134.90	146.50	11.60	6.93	1.60	50.17	263.14
<i>and</i>	Fredriksson Gruva	139.00	143.00	4.00	10.00	2.16	70.08	374.33
GUM-20-11	Fredriksson Gruva	151.85	160.00	8.15	3.83	0.50	18.13	152.71
<i>Incl.</i>	Fredriksson Gruva	151.85	158.60	6.75	4.47	0.54	20.69	148.12
<i>and</i>	Fredriksson Gruva	151.85	154.50	2.65	8.21	0.25	23.61	242.35

*\*Insufficient drilling has been completed to definitively determine true thickness; true thickness is estimated to be between 90-95% for holes GUM-20-09 to -11 based on angle to core axis and 3D interpretation. Metal ratios are calculated assuming 100% recoveries at US \$1806 Gold, US \$27.65 Silver, US \$ 1.05 Lead, US \$ 1.29 Zinc.*

### **Burfjord Copper-Gold Project (Alta Region, Norway)**

The Burfjord copper-gold project is comprised of seven exploration licenses totaling 6,200 hectares in the Kåfjord copper belt near Alta, Norway. Copper mineralization was mined in the Burfjord area during the 19th century, with over 25 historic mines and prospects developed along the flanks of a prominent 4 x 6 kilometre fold (anticline) consisting of interbedded sedimentary and volcanic rocks. Copper and gold mineralization at Burfjord are hosted by swarms of iron-oxide rich carbonate veins, with high grade

copper mineralization (the target of the historic mining activity) focused along contacts between rock types. However, cut-off grades in the primitive 19<sup>th</sup> century-era mining operations were quite high (likely exceeding 3% copper), and Norden sees potential for larger tonnages of mineralization at lower grades in areas adjacent to and surrounding the historic mines.

On January 4, 2018 the Company announced the results of an Induced Polarization Geophysical Survey ("IP Geophysical Survey") at the 100% owned Burfjord Project. The results of the survey indicated along-strike continuity of sulphide mineralization over a three-kilometre segment of prospective stratigraphy and depth continuity in excess of 100 metres; beyond the depth limitations of the pole-dipole electrode configuration. An IP and Resistivity Survey was conducted between October 5 and October 25, 2017 at Burfjord, by GeoVista AB. The survey results successfully demonstrated the projection of mineralization under cover for widths on the order of 100 metres or more, the continuity of the mineralization along trend for at least 3,000 metres, and projection to depths of at least 100 metres.

In late September 2018, Norden commenced a 1,000-metre drill program at Burfjord. The drill program was designed to test multiple copper and gold targets in the Burfjord area, particularly in the southwest area of the anticline, where much of the historical mining activities were focussed. In total, seven holes were drilled totalling 951 metres. The results from the reconnaissance drill program confirmed the presence of broad zones of copper mineralization enveloping high-grade copper veins at Burfjord. Significant drill results from this drill program are summarized in the table below.

Hole ID	From Meters	To Meters	Length Meters	Cu %	Au g/t	In ppm
BUR-18-001	10.00	16.00	6.00	0.18	0.01	0.05
BUR-18-001	24.00	27.00	3.00	0.12	0.10	0.08
BUR-18-001	71.50	82.50	11.00	0.11	0.02	0.05
<i>Incl.</i>	79.00	82.50	3.50	0.21	0.01	0.08
BUR-18-002	15.00	20.00	5.00	0.20	0.03	0.09
BUR-18-002	39.00	62.00	23.00	0.14	0.01	0.05
BUR-18-003	73.00	84.00	11.00	0.14	0.01	0.07
<b>BUR-18-003</b>	<b>184.00</b>	<b>216.00</b>	<b>32.00</b>	<b>0.56</b>	<b>0.26</b>	<b>0.50</b>
<i>Incl.</i>	<b>184.85</b>	<b>188.31</b>	<b>3.46</b>	<b>4.31</b>	<b>2.22</b>	<b>3.69</b>
<i>also incl.</i>	<b>184.00</b>	<b>191.00</b>	<b>7.00</b>	<b>2.30</b>	<b>1.13</b>	<b>2.05</b>
BUR-18-004	58.60	59.33	0.73	2.46	0.15	0.17
BUR-18-004	66.00	67.60	1.60	0.19	0.01	0.09
BUR-18-004	88.00	89.00	1.00	0.51	0.04	0.59
BUR-18-005	25.00	102.00	77.00	0.11	0.01	0.11
<i>Incl.</i>	52.00	62.00	10.00	0.24	0.04	0.20
<i>Incl.</i>	93.00	98.00	5.00	0.23	0.02	0.19
BUR-18-007	96.00	99.00	3.00	0.16	0.28	0.11
BUR-18-007	138.00	140.00	2.00	0.12	0.07	0.12

*\*Lengths reported as seen in drill core. True widths are estimated at 85-100% of reported lengths.*

On June 18, 2019 Norden requested extensions for Burfjord license numbers 14, 15, 18, 19, 20 and 21. On October 3, 2019 Norden received a letter from The Direktoratet for mineralforvaltning granting an extension of these licenses to September 30, 2023.

On August 24, 2020, Norden announced a field exploration program for the Burfjord Project. The jointly planned exploration at Burfjord consisted of targeted geological mapping focused on the widespread hydrothermal alteration, lithology and structural controls on gold and copper mineralization. The exploration program included geochemical sampling, as well as geophysics including EM and a property wide airborne magnetic survey. Results from the summer field programs will aid in the definition of targets for drill testing. The Company is working in collaboration with Boliden to execute the recommendations from the newly formed joint technical committee.

On February 8, 2020, Norden Crown Metals Corp. announced the commencement of a ~3,500 meter diamond drill program at the 100% owned Burfjord Project. The jointly planned diamond drill program at Burfjord is based on geological, geochemical, and geophysical anomalies identified during the 2020 Summer exploration programs and aims to test the copper-gold grades and continuity of new targets, historical mines, and prospects. A total of 3 holes (970.5 meters) will be drilled and results have not yet been received.

### ***Exploration Outlook***

Norden continues to focus its exploration efforts on the Gumsberg project in Sweden, where past exploration drilling by the Company intersected significant precious metal enriched base metal mineralization. Likewise, exploration efforts ramped up significantly at Burfjord in cooperation with the Company's new exploration partner, Boliden. At Burfjord, permitting is underway for expansion of the exploration programs to include additional geophysical surveys and reconnaissance diamond drilling.

The Gumsberg project continues to be Norden's flagship project. Norden discovered new high-grade zones of mineralization in the Loberget-Vallberget and Östra Silvberg areas on the Gumsberg project in drill programs between 2017 and 2019. The drill defined zones of high-grade mineralization remain open in multiple directions. Newly recognized Broken Hill Type ("BHT") mineralization at Fredriksson Gruva represents a significant advancement for the Gumsberg Project and 2021 exploration efforts will focus on expanding the existing drilling footprint at this prospect to determine the grade and continuity of this new style of precious metal enriched base metal mineralization.

To date, an emphasis has been placed on low-cost, high value surface exploration work that led to the definition of high priority drill targets, as well as highly efficient drill programs targeting near-surface, high grade zones of mineralization at both Gumsberg and Burfjord. These cost-efficient programs are

designed to deliver maximum value to Norden shareholders while continuing to advance multiple projects in the portfolio in a timely fashion.

### Summary of Quarterly Results

Quarter ended	2021		2020			2019		
	Mar 31 (\$)	Dec 31 (\$)	Sept 30 (\$)	June 30 (\$)	Mar 31 (\$)	Dec 31 (\$)	Sept 30 (\$)	June 30 (\$)
Total assets	6,317,773	6,041,615	6,346,601	4,342,940	4,272,953	4,327,853	5,515,269	5,956,321
Loss and comprehensive loss	250,054	941,410	362,235	272,407	143,326	1,798,889	782,661	512,122
Loss per share (basic and diluted)	(0.00)	0.01	0.00	0.00	0.00	0.02	0.01	0.01

The increase in loss and comprehensive loss in the fourth quarter of 2020 results primarily from the recognition of losses on settlement of certain amounts and extinguishment of a loan during the third quarter of 2020. The increase in loss and comprehensive loss in the third quarter of 2019 relates primarily to the loss from discontinued operations of \$422,080 on the disposition of BBMSAB, and in the fourth quarter, the write off of properties in the amount of \$653,795. (See "Results of Operations" in this Report.)

### Results of Operations

#### Exploration and evaluation property expenditures

For the year ended December 31, 2020	Gumsberg (\$)	Burfjord (\$)	Total (\$)
Accommodation	422	2,384	<b>2,806</b>
Drilling	26,338	(268)	<b>26,070</b>
Field work	41,603	406,690	<b>448,293</b>
Exploration licenses	543	41,443	<b>41,986</b>
Geological	49,735	19,608	<b>69,342</b>
Geophysical	68,532	-	<b>68,532</b>
Other	-	18,725	<b>18,725</b>
	187,173	488,582	675,754
Recovery from option agreement	-	(488,582)	<b>(488,582)</b>
<b>Net</b>	<b>187,173</b>	<b>(0)</b>	<b>187,172</b>

**Administrative and general costs**

	<b>Three months ended December 31,</b>	
	<b>2020</b>	<b>2019</b>
	<b>(\$)</b>	<b>(\$)</b>
General and administrative costs		
Consulting fees	<b>23,797</b>	(8,222)
General exploration expenditures	<b>54,756</b>	-
Foreign exchange	<b>14,352</b>	(2,440)
Legal and accounting	<b>7,641</b>	(18,531)
Management fees	<b>70,759</b>	93,716
Office expenses and salaries	<b>19,421</b>	11,600
Shareholder communication	<b>93,096</b>	18,654
Travel	<b>4,811</b>	(8,523)
	<b>(288,633)</b>	(86,254)
Other items		
Depreciation	<b>(278)</b>	<b>(4,392)</b>
Share-based payments	-	<b>(19,234)</b>
Interest expense	<b>(12,871)</b>	<b>(33,446)</b>
Management fee - option agreement	<b>51,728</b>	-
	<b>38,579</b>	(57,072)
<b>Loss for the period</b>	<b>(250,054)</b>	<b>(143,326)</b>

**For the three months ended March 31, 2021 ("Q1/21") as compared with the three months ended March 31, 2020 ("Q1/20")**

General and administrative costs for Q1/21 increased as a result of adjustments made during Q1/20. The Company incurred general exploration expenditures of \$54,756 (Q1/21: \$Nil), and shareholder communication costs of \$93,096 (Q1/20: \$18,654) commensurate with increased activity. In connection with the Boliden Option Agreement, the Company received \$51,728 in management fees.

**Compensation of Key Management Personnel and Related Parties Transactions**

Related parties include key management personnel [Patricio Varas (Executive Chairman, Chief Executive Officer, Director and President), Jeannine Webb (Chief Financial Officer) David Thornley-Hall (V-P Corporate Development and Corporate Secretary), Dan MacNeil (VP-Exploration)] and Eric Jensen, David Reid, Jon Sherron and Thomas Soderqvist (independent, non-executive Directors of the Company) and Michael Nordfors and Johannes Holzäpfel (independent, non-executive Directors of the Swedish Companies).

During the three months ended March 31, 2021 and 2020, the Company incurred fees for services by these parties as follows:

Key management compensation	<b>For the three months ended March 31,</b>	
	<b>2021</b>	<b>2020</b>
	<b>(\$)</b>	<b>(\$)</b>
Management fees	70,000 <sup>(1)</sup>	67,716
Geological services	30,174	7,013
Share-based payments	-	13,858
	<b>100,175</b>	<b>88,587</b>

<sup>(1)</sup> Unpaid at March 31, 2021: \$236,250 in respect of services in 2021 and 2020

Other related parties	For the three months ended March 31,	
	2021 (\$)	2020 (\$)
Accounting fees	10,943 <sup>(1)</sup>	1,910
Director fees	10,916 <sup>(2)</sup>	11,000
Legal fees	-	445
	<b>21,859</b>	<b>13,355</b>

<sup>(1)</sup> Unpaid at March 31, 2021: \$1,262

<sup>(2)</sup> Unpaid at March 31, 2021: \$12,416 in respect of services in 2021 and 2020

Additionally, at March 31, 2021, the Company owed a total of \$20,726 to certain related parties, in respect of expenses incurred on behalf of the Company (December 31, 2020: \$31,122).

### ***Liquidity, Capital Resources and Going Concern***

Given the volatility in equity markets, unfavorable market conditions in the mining industry, uncertainties in the markets due to COVID-19, cost pressures and results of exploration activities, management constantly reviews expenditures and exploration programs and equity markets in order that the Company has sufficient liquidity to support its growth strategy.

The Company's cash is comprised of bank deposits and, where possible, a savings account. Accounts payable and accrued liabilities of \$929,568 are due in the second quarter of 2021, and the Company is party to a loan (the "Loan") (including principal and interest) of \$504,106 which is due May 25, 2021. On May 25, 2021, the Company and EMX agreed to extend the maturity date of the Loan from May 25, 2021 to June 24, 2021, in consideration for the Loan principal increasing by \$30,000. At March 31, 2021, the Company had cash and cash equivalents, and accounts receivable of \$1,073,977 and \$136,988, respectively, and working capital deficit of \$518,686. Cash used in operating activities for the Period was \$64,188.

The Company is not in commercial production on any of its mineral properties, continues to incur operating losses, has limited financial resources, and no source of operating cash flow. There can be no assurance that sufficient funding will be available to conduct further exploration and development of its mineral properties. The Company finances its activities primarily by raising capital through the equity markets, and its investment policy is to keep its cash on deposit in an interest-bearing Canadian chartered bank account or a Swedish bank when required. In order to finance the Company's future exploration programs and to cover administrative and overhead expenses, the Company may raise money through equity sales, debt financing, from optioning its projects to partners, or a combination of such. The Company must manage its treasury while satisfying regulatory requirements, maintaining its property agreements in good standing, and conducting exploration programs. As results of exploration programs are determined and other opportunities become available to the Company, management may seek to complete external financings as required in order to fund further exploration. Should the Company wish to continue fieldwork on its exploration projects, further financing will be required and the Company will either have to go to the market or engage a strategic partner to achieve this. There can be no assurance that the Company will be successful in raising the necessary additional financing. This gives rise to a material uncertainty that may cast significant doubt on the ability of the Company to continue as a going concern.

The Company's consolidated financial statements do not give effect to adjustments to the carrying values and classification of assets and liabilities that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

### ***Capital Management***

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its exploration and evaluation assets and to maintain a flexible capital structure for its projects for the benefit of its stakeholders. In the management of capital, the Company includes the components of shareholders' equity. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, enter into joint venture property arrangements, acquire or dispose of assets or adjust the amount of cash and investments.

In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. The annual and updated budgets are approved by the Board of Directors.

There were no changes in the Company's approach to capital management during the year ended December 31, 2020 compared to the year ended December 31, 2019. The Company is not subject to externally imposed capital requirements.

### ***Financial Instruments***

Financial assets and liabilities are classified in the fair value hierarchy according to the lowest level of input that is significant to the fair value measurement. Assessment of the significance of a particular input to the fair value measurement requires judgement and may affect placement within the fair value hierarchy levels. The hierarchy is as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value of receivables, reclamation bond and accounts payable and accrued liabilities approximate their carrying amounts due to the short-term nature of the financial instruments. Reclamation bond and receivables are measured at amortized cost. Accounts payable and accrued liabilities are classified as other financial liabilities and are measured at amortized cost.

The Company is exposed to a variety of financial instrument related risks to varying degrees:

Credit risk: Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the Company by failing to discharge its obligations. The Company's credit risk is primarily attributable

to its liquid financial assets including cash. The Company limits its exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions.

Liquidity risk: Liquidity risk is the risk that the Company will not be able to meet its obligations associated with its financial liabilities. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Company is currently investigating financing opportunities so that it has sufficient liquidity to meet liabilities when due.

There can be no assurance the Company will be able to obtain required financing in the future on acceptable terms. The Company anticipates it will need additional capital in the future to finance on-going exploration of its properties, such capital to be derived from the completion of other equity financings. The Company has limited financial resources, has no source of operating income and has no assurance that additional funding will be available to it for future exploration and development of its project. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions and exploration success. In recent years, the securities markets 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 continued 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 revenue, cash flows or earnings.

Market risk: Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

Foreign Currency risk: The Company is exposed to financial risk related to fluctuations in foreign exchange rates. Foreign currency risk is limited to the portion of the Company's business transactions denominated in currencies other than the Canadian Dollar.

Interest rate risk: The Company's exposure to interest rate risk arises from the interest rate impact on cash. The Company's policy is to invest cash at floating rates of interest, in order to maintain liquidity, while achieving a satisfactory return for shareholders. There is minimal risk that the Company would recognize any loss as a result of a decrease in the interest rate.

Price risk: The Company is exposed to price risk with respect to commodity prices. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company.

### ***Subsequent Events***

- On April 22, 2021, the Company announced:
  - a) a non-brokered private placement (the "Offering") consisting of up to 40,000,000 units ("Units") at a price of \$0.10 per unit on a pre-consolidation basis (up to 13,333,333 Units at a price of \$0.30 per unit on a post-consolidation basis) for total gross proceeds of \$4,000,000. Each Unit will consist of one common share and one non-transferrable common share purchase warrant ("Warrant"), with each Warrant allowing for the purchase of one common share of the Company at a price of \$0.20 on a pre-consolidation basis (\$0.60 on a post-consolidation basis) for a period of 3 years from the date of closing of the Offering. The



expiry date of the Warrants will be subject to acceleration, at the Company's discretion, if the Company's shares trade on a volume-weighted average price basis of \$0.60 on a pre-consolidation basis (\$1.80 on a post-consolidation basis) or higher for 10 consecutive trading days, in which case holders will have 30 days to exercise the Warrants.

- b) a share consolidation on the basis of three existing common shares for one new consolidated common share (the "Consolidation"), which the Company anticipates completing on the date of closing of the Offering. The Consolidation is subject to acceptance by the TSX-V. In accordance with the Company's articles, the Consolidation may be approved by the Company's directors, and shareholder approval is not required.
- On May 25, 2021, the Company and EMX agreed to extend the maturity date of the Loan from May 25, 2021 to June 24, 2021, in consideration for the Loan principal increasing by \$30,000.

### Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

### Outstanding Share Data

As at the date of this MD&A, the Company has the following securities outstanding:

Common shares - issued and outstanding				133,196,582
	Exercise price (\$)	Expiry Date	Shares issuable (#)	
Warrants	0.150	February 20, 2022	17,060,934	
	0.110	August 13, 2022	57,164,953	
				74,225,887
Stock options	0.200	September 14, 2028	3,475,000	
				3,475,000
				<u>210,897,469</u>

### Risk Factors

The Company's principal activity is mineral exploration and development, which is speculative and involves a high degree of risk. There is a significant probability that the expenditures made by the Company in the exploration of its properties will not result in discoveries of commercial quantities of minerals. A high level of ongoing expenditures is required to locate and estimate ore reserves, which are the basis for further development of a property. Capital expenditures to attain the commercial production stage are also very substantial. The Company has a history of incurring losses and deficits, and is subject to a number of risks and uncertainties due to the nature of its business and present stage of explorations, such as, but not limited to, exploration, market, commodity prices, Aboriginal land claims, title, limited financial resources, share price volatility, key personnel, competition, environmental and regulatory requirements, uninsurable risks and critical accounting estimates.

The following sets out the principal risks faced by the Company:

Corona Virus (COVID-19): Since March 2020, several governmental measures have been implemented in Canada and the rest of the world in response to the coronavirus (COVID-19) pandemic. While the impact of COVID-19 and these measures are expected to be temporary, the current circumstances are dynamic and the impacts of COVID-19 on the Company's business operations cannot be reasonably estimated at

this time. The Company anticipates this could have an adverse impact on its business, results of operations, financial position and cash flows for the ensuing 12 months. The Company continues to operate its business, and in response to Federal and Provincial emergency measures, has requested its employees and consultants work remotely wherever possible. These government measures, which could include government mandated closures of the Company or its contractors or restrictions on travel, could impact the Company's ability to conduct its exploration programs in a timely manner, and the Company is evaluating the best way to move its exploration activities forward when the emergency measures are lifted.

Title: Although the Company has taken steps to verify the title to mineral properties 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 title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

Indigenous Land and Territorial Claims: Indigenous rights may be claimed on properties or other types of tenure with respect to which mining rights have been conferred. The Company is aware of the mutual benefits afforded by cooperative relationships with indigenous people in conducting exploration activity and is supportive of measures established to achieve such cooperation. The outcome of any indigenous land claims cannot be predicted, and if successful, would have a significant adverse effect on the Company.

Foreign Countries and Regulatory Requirements: Currently, the Company holds claims in Sweden and Norway. Consequently, the Company is subject to certain risks associated with foreign ownership, including currency fluctuations, inflation, and political risk. Mineral exploration and mining activities and production activities in foreign countries may be affected in varying degrees by political stability and government regulations relating to the mining industry. Any changes in regulations or shifts in political conditions are beyond the control of the Company and may adversely affect its business. Operations may be affected in varying degrees by government regulations with respect to disputes and/or conflicts between Federal and regional legislations and regulations, community rights, restrictions on production, price controls, export controls, restriction of earnings, taxation laws, expropriation of property, environmental legislation, water use, labour standards and workplace safety.

Limited Financial Resources and Going Concern: The Company has no significant source of operating cash flow and no revenues from operations. The Company has limited financial resources, no operating revenues and its ability to continue operating as a going concern is dependent upon management's success in raising additional monies to sustain the Company until cash flow from operations is adequate to sustain the Company's viability. Substantial expenditures are required to be made by the Company and/or its development partners to establish ore reserves and develop a mining operation. Exploration and development of mineral deposits is an expensive process, and frequently the greater the level of interim stage success the more expensive it can become. At present, the Company has no producing properties and generates no operating revenues; therefore, for the foreseeable future, it will be dependent upon selling equity in the capital markets to provide financing for its continuing exploration budgets.

Failure to obtain additional financing could result in the delay or indefinite postponement of further exploration and development of the Company's projects and the Company may become unable to carry out its business objectives. The Financial Statements contain a note that indicates the existence of material uncertainties that raise substantial doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon its ability to obtain the financing necessary to fund its mineral properties through the issuance of capital stock or joint ventures, and to realize future profitable production or proceeds from the disposition of its mineral interests.

While the Company has been successful in obtaining financing from the capital markets for its projects in recent years, there can be no assurance that the capital markets will remain favourable in the future, and/or that the Company will be able to raise the financing needed to continue its exploration programs on favourable terms, or at all. Restrictions on the Company's ability to finance could have a materially adverse outcome on the Company and its securities, and its ability to continue as a going concern.

Exploration and Development of Properties and Operations: The property interests owned by the Company, or in which it may have an interest, are currently in the exploration and evaluation stages and have no ongoing mining operations. Mineral exploration and development involves a high degree of risk and few properties are ultimately developed into producing mines. There can be no assurance that any necessary environmental approvals will be granted in a timely manner in respect of any property interests owned by the Company, or in which the Company may have an interest.

Mineral exploration and mining operations generally involve a high degree of risk. The Company's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of base metals and other minerals, including unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. The financing, exploration, development and mining of any of the Company's properties is furthermore subject to a number of macroeconomic, legal and social factors, including commodity prices, laws and regulations, political conditions, currency fluctuations, the ability to hire and retain qualified people, the inability to obtain suitable adequate machinery, equipment or labour and obtaining necessary services in jurisdictions in which the Company operates. Unfavourable changes to these and other factors have the potential to negatively affect the Company's operations and business.

Share Price Volatility, Price Fluctuations and Commodity Price: The price of the common shares, financial results and exploration, development and mining activities of the Company may in the future be significantly adversely affected by declines in the prices of base and precious metals. Metal prices fluctuate widely and are affected by numerous factors beyond the Company's control. There can be no assurance that such price fluctuations will continue, or that investors' evaluations, perceptions, beliefs and sentiments will continue to impact these target commodities. An adverse change in these commodities' prices, or in investors' beliefs about trends in those prices, could have a material adverse outcome on the Company and its securities. There can be no assurance that these price fluctuations and volatility will not continue to occur.

Key personnel: Other than in respect of a Joint Venture, the Company's operations are dependent to a large degree on the skills and experience of certain key personnel. The Company does not maintain "key man" insurance policies on these individuals. Should the availability of these persons' skills and experience be in any way reduced or curtailed, this could have a materially adverse outcome on the Company and its securities.

Competition: Significant and increasing competition exists for the opportunity to acquire or acquire an interest in the limited number of mineral properties available. As a result of this competition, some of which is with large established mining companies with substantial capabilities and greater financial and technical resources than the Company, the Company may be unable to acquire additional interests in attractive mineral properties on terms it considers acceptable.

Environmental and Other Regulatory Requirements: The mining, processing, development and mineral exploration activities of the Company are subject to various laws governing prospecting, development, production, taxes, labour standards, mine safety, land use, toxic substances, land claims of local people and other matters. These laws and other governmental policies may affect investments of the Company and/or its shareholders.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company.

Market: The Company's securities trade on public markets and the trading value thereof is determined by the evaluations, perceptions and sentiments of both individual investors and the investment community taken as a whole. Such evaluations, perceptions and sentiments are subject to change, both in short-term time horizons and longer-term time horizons. An adverse change in investor evaluations, perceptions and sentiments could have a material adverse outcome on the Company and its securities.

Uninsurable: The Company and its subsidiaries may become subject to liability for pollution, fire, explosion and other risks against which it cannot insure or against which it may elect not to insure. Such events could result in substantial damage to property and personal injury. The payment of any such liabilities may have a material, adverse effect on the Company's financial position.

Critical Accounting Estimates: In the preparation of financial information, management makes judgments, estimates and assumptions that affect, amongst other things, the carrying value of its mineral property assets. All deferred mineral property expenditures are reviewed, on a property-by-property basis, to consider whether there are any conditions that may indicate impairment. When the carrying value of a property exceeds its net recoverable amount that may be estimated by quantifiable evidence of an economic geological resource or reserve, joint venture expenditure commitments or the Company's assessment of its ability to sell the property for an amount exceeding the deferred costs, a

provision is made for the impairment in value. Management's estimates of exploration, operating, capital and reclamation costs, if any, are subject to certain risks and uncertainties which may affect the recoverability of mineral property costs. Although management has made its best estimate of these factors, it is possible that changes could occur in the near term that could adversely affect management's estimate of the net cash flow to be generated from its properties. The Company also uses the Black-Scholes Option Pricing Model in relation to share based payments. Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable single measure of the fair value of the Company's stock options granted/vested during the period.

On behalf of the Board,

*"J. Patricio Varas"*

J. Patricio Varas  
Chairman and CEO