

**TISDALE RESOURCES CORP.**  
**MANAGEMENT DISCUSSION & ANALYSIS**  
**For the Nine Months ended September 30, 2021**

The following Management's Discussion and Analysis ("MD&A") for Tisdale Resources Corp. ("Tisdale" or the "Company"), prepared as of October 19, 2021, for the nine months ended September 30, 2021 should be read in conjunction with the unaudited consolidated interim financial statements and related notes of the Company for the nine months ended September 30, 2021 and the audited consolidated financial statements and related notes of the Company for the year ended December 31, 2020. The financial statements have been prepared using accounting principles consistent with International Reporting Standards (IFRS) as issued by the International Accounting Standards Board ("IASB"). All monetary amounts in this MD&A and in the financial statements are expressed in Canadian dollars unless otherwise stated. Additional information on the Company can be found on SEDAR at [www.sedar.com](http://www.sedar.com). The reader should be aware that historical results are not necessarily indicative of future performance. The consolidated financial statements together with the following MD&A are intended to provide readers with a reasonable basis for assessing the financial performance of the Company.

**Forward-Looking Information**

Information set forth in this MD&A may involve forward-looking information under applicable securities laws. Forward-looking information is information that relates to future, not past, events. In this context, forward looking information often addresses expected future business and financial performance, and often contains words such as "anticipate", "plan", "estimate", "expect", and "intend", statements that an action or event "may", "could", "should", or "will" be taken or occur, or other similar expressions. All statements, other than statements of historical fact, included herein including, without limitation; statements about the future expenditures and capital needs of the Company and the future exploration on, and the development of, the Company's projects are forward-looking information. By its nature, forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the Company's actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. Such factors include, among others, the following risks: the need for additional financing; operational risks associated with mineral exploration; fluctuations in commodity prices; title matters; environmental liability claims and insurance; reliance on key personnel; the potential for conflicts of interest among certain officers, directors and promoters with certain other projects; the absence of dividends; competition; dilution; the volatility of the Company's common share price and volume and the additional risks identified in the "Risk Factors" section of this MD&A, and other reports and filings with applicable Canadian securities regulations.

Forward-looking information is in addition based on various assumptions including, without limitation, the expectations and beliefs of management, the assumed long-term price of commodities; that the Company can access financing, appropriate equipment and sufficient labor and that the political environment will continue to support the development and operation of mining projects. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking information. Accordingly, readers are advised not to place undue reliance on forward-looking statements. Forward-looking information is made based on management's beliefs, estimates and opinions on the date that information is given and the Company does not intend to update forward-looking statements or information, except as may be required by applicable law.

## Description of Business and Overview

The Company was incorporated in the Province of Ontario and continued into the Province of British Columbia and is listed on the TSX Venture Exchange (symbol: "TRC"). Its principal registered and records office is located at 2200 - 885 West Georgia Street, Vancouver, B.C. V6C 3E8.

The Company is in the business of acquiring, exploring and evaluating mineral resource properties, and either joint venturing or exploring and evaluating these properties further or disposing of them when the evaluation is completed. The Company is a development stage company and has produced no revenues to date and is reliant on the issuance of shares to finance continued exploration activities and operations.

On November 24, 2017, the Company acquired Keefe Lake Projects Inc. ("Keefe Lake"). Subject to existing royalty rights, Keefe Lake Projects holds a 100% interest in the Keefe Lake Uranium Project, an advanced exploration project that covers an area of approximately 15,400 hectares, on the eastern side of the Athabasca Basin, in Northeastern Saskatchewan, Canada. Pursuant to a purchase agreement entered into by the Company, Keefe Lake and its shareholders, Urania Resource Corp. and Doctors Investment Group Ltd., whereby the Company acquired all of the issued and outstanding share capital of Keefe Lake for 152,500 common shares of the Company valued at \$2,867,000 or \$18.80 per common share issued.

On July 7, 2020, the Company granted 43,000 incentive stock options to consultants of the Company. These options vested immediately and are exercisable at \$0.65 per share for a period of three years, expiring July 7, 2023. On July 21, 2020, the Company issued 43,000 common shares pursuant to the exercise of these share options for gross proceeds of \$27,950.

On September 24, 2020, the Company consolidated all its issued and outstanding share capital on a one-new-for-ten-old basis. Following this consolidation, the Company had 1,135,350 common shares outstanding. All figures as to the number of common shares, stock options, warrants, and loss-per-share in this MD&A have been retroactively restated to reflect the consolidation.

On January 27, 2021, the Company raised gross proceeds of \$355,200 by way of a non-brokered private placement of 740,000 units issued priced at \$0.48 per unit. Each unit consists of one common share and one common share purchase warrant with an exercise price of \$0.60 and has an expiry date of three years.

On August 17, 2021, the Company completed the first tranche of a private placement of 1,625,000 equity units and 225,000 flow-through units at \$0.44 per unit for gross proceeds of \$814,000. Each unit consists of one common share and one share purchase warrant. Each share purchase warrant will be exercisable at a price of \$0.55 and has an expiry date of 5 years. No value has been assigned to the unit warrants.

On August 30, 2021, the Company completed the second tranche of a private placement of 357,727 equity units at \$0.44 per unit for gross proceeds of \$157,400. Each unit consists of one common share and one share purchase warrant. Each share purchase warrant will be exercisable at a price of \$0.55 and has an expiry date of 5 years. No value has been assigned to the unit warrants.

In connection with the August 2021 private placement, the Company incurred share issue costs of \$7,074. No finders' fees or commissions were payable in connection with this financing.

## Exploration and Evaluation Projects

Ownership of mineral property interests may involve certain risks due to difficulties in determining the validity of certain claims as well as the potential for problems arising from the ambiguous conveyancing history characteristic of some mineral properties. The Company has investigated ownership of the mineral properties in which it has an interest and, to the best of its knowledge, all properties are in good standing.

It is the Company's policy to expense exploration and evaluation expenditures as incurred.

### ***Keefe Lake Projects, North-eastern Saskatchewan***

On November 24, 2017, the Company acquired Keefe Lake Projects Inc. Subject to existing royalty rights, Keefe Lake Projects holds a 100% interest in the Keefe Lake Uranium Project, an advanced exploration project that covers an area of approximately 15,400 hectares, on the eastern side of the Athabasca Basin, in Northeastern Saskatchewan, Canada. The project is on trend with the McArthur River, Cigar Lake and Key Lake mines, three of the largest and richest uranium mines in the world. The Keefe Lake exploration model is a shallow basement or sandstone-hosted uranium deposit, with average basement depths of only 170 meters. Since 2012, the project has been subject to over \$4,000,000 in exploration expenditures, including airborne geophysics, 2-D seismic and diamond drilling.

The Company intends to use proceeds from financings completed in 2021 to carry out exploration at the Keefe Lake Project. The Company has engaged Grander Exploration to complete a deposit IP survey on the company's Keefe Lake project. The Company has also engaged Minroc Management Services to complete an updated technical report on Keefe Lake.

## Selected Annual Information

The following financial data are selected information for the Company for the three most recently completed financial years:

	December 31, 2020	December 31, 2019	December 31, 2018
	\$	\$	\$
Current assets	1,731	3,334	159,198
Total assets	1,731	3,334	159,198
Current liabilities	375,230	23,406	342,649
Total non-current financial liabilities	Nil	230,538	Nil
Total revenue	Nil	Nil	Nil
Net loss	(171,478)	(67,159)	(235,112)
Net loss per share, basic and diluted	0.15	0.07	0.23
Weighted average number of common shares outstanding	1,111,499	1,092,350	1,041,568

## Summary of Quarterly Results

The following selected financial data is derived from the financial statements of the Company prepared within acceptable limits of materiality and is in accordance with International Financial Reporting Standards.

	3 Months ended Sept 30, 2021 \$	3 Months ended June 30, 2021 \$	3 Months ended Mar 31, 2021 \$	3 Months ended Dec 31, 2020 \$	3 Months ended Sept 30, 2020 \$	3 Months ended June 30, 2020 \$	3 Months ended Mar 31, 2020 \$	3 Months ended Dec 31, 2019 \$
Total revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net loss (income)	36,639	31,405	41,322	43,234	62,759	31,074	34,411	(35,496)
Net loss (income) per share, basic and diluted	0.01	0.02	0.02	0.04	0.06	0.02	0.03	(0.03)
Total assets	843,513	12,016	11,343	1,731	7,021	7,556	4,831	3,334
Total liabilities	6,851	103,042	70,964	375,230	337,286	323,651	289,852	253,944
Total shareholders' equity (deficiency)	836,662	(91,026)	(59,621)	(373,499)	(330,265)	(316,095)	(285,021)	(250,610)

## Results of Operations

### *Nine months ended September 30, 2021*

In the nine months ended September 30, 2021 the Company reported a loss of \$109,365 (\$0.05 per share). In the same period of 2020, the Company reported a loss of \$128,244 (\$0.12 per share). Filing and transfer agent fees increased to \$19,951 during the first nine months of 2021 (as a result of the private placements in January and August 2021) compared to \$17,369 in the same period in 2020. Consulting and management fees were the same in both years at \$45,000 and \$12,600, respectively. Geological consulting fees of \$933 were incurred in the third quarter of 2021 as the Company prepares for exploration of its Keefe project in Fall 2021. Professional fees were higher due to financing activities at \$21,619 in the first nine months of 2021 compared to \$14,402 a year earlier. Interest expense on outstanding loans declined as a result of loan principal repayments in February and September 2021 to \$9,142 in the nine months ended September 30, 2021 versus interest of \$18,131 in the same period of 2020. Share-based compensation of \$20,639 relates to stock options granted in the third quarter of 2020 with no comparable expense in 2021.

### *Three months ended September 30, 2021*

In the three months ended September 30, 2021 the Company reported a loss of \$36,639 (\$0.01 per share). In the same period of 2020, the Company had a comparable loss of \$62,759 (\$0.06 per share). Filing and transfer agent fees were \$7,057 during the 2021 period compared to \$11,223 in the same period in 2020. Consulting and management fees remained the same at \$15,000 and \$4,200, respectively, in both 2021 and 2020. Geological consulting fees of \$933 were incurred in the third quarter of 2021 as the Company prepares for exploration of its Keefe project in Fall 2021. Professional fees for ongoing operations increased to \$7,585 in the third quarter of 2021 compared to \$5,261 in the same quarter of 2020. The Company incurred interest of \$1,816 on outstanding loans in the three months ended September 30, 2021 versus \$6,416 in the same period in 2020, the decline resulting from loan principal repayments in February and September 2021. Share-based compensation of \$20,639 relates to stock options granted in the third quarter of 2020 with no comparable expense in 2021.

## Liquidity and Capital Resources

As of September 30, 2021, the Company had current assets of \$843,513, including cash of \$842,225, and had current liabilities of \$6,851 resulting in working capital of \$836,662.

During the nine months ended September 30, 2021, operating activities used \$224,285 (2020 - \$44,368) in cash. The Company had no investing activities in the first half of either 2021 or 2020.

The Company's financing activities in the nine months ended September 30, 2021 were financed by a private placements in January and August 2021 which raised proceeds of \$1,326,600 less share issue costs of \$7,074, and an operating loan of \$10,000. These funds allowed for repayment of loans totaling \$264,685.

The Company is a development stage company with no revenue producing properties and, consequently, does not generate operating income or cash flow. The Company has incurred losses since inception. The Company has relied upon the issuance of equity capital to provide working capital to fund the Company's operations.

### Off Balance Sheet Transactions

The Company has no off-balance sheet transactions.

### Share Capital

The Company's issued and outstanding share capital as at the date of this report is as follows:

	Authorized	Outstanding
Voting or equity securities issued and outstanding	Unlimited Common Shares	4,083,065 Common Shares
Securities convertible or exercisable into voting or equity securities		
- warrants exercisable at \$0.55		2,207,727
- warrants exercisable at \$0.60		740,000

### Related Party Transactions and Balances

#### *Related Party Transactions*

Key management compensation for the nine months ended September 30, 2021 and 2020 consisted of the following:

- Management fees in the amount of \$12,600 (2020 - \$12,600 were paid as follows: to a director and officer \$3,600 (2020 - \$3,600) and a company controlled by a director and officer \$9,000 (2020 - \$9,000).
- Geological consulting fees in the amount of \$933 (2020 - \$Nil) were paid to a company controlled by a director.

#### *Related Party Balances*

As of September 30, 2021 and December 31, 2020, \$Nil is included in trade and other payables related to these fees.

### Loans Payable

On March 29, 2018, the Company entered into a debt modification agreement with Apollo Innovative Solutions Inc. (the "Creditor"). The Creditor agreed to convert its outstanding accounts payable of \$190,000 into a note due on July 1, 2019 and the Company hereby agreed to pay the Creditor 10% interest on the outstanding balance, payable on maturity of the note. During March 2019, the Company repaid \$45,000 of the principal balance.

On December 31, 2019, the Creditor agreed to convert its outstanding accounts payable of \$60,000 into a note, the balance to be added to the existing loan payable of \$145,000. The Creditor also agreed to extend the repayment date of the note plus accrued interest of \$30,004 to July 1, 2021. The Company agreed to pay the Creditor 10% interest on the outstanding balance, payable on maturity of the note.

The Company determined that the extension of the maturity date on the original loan amount of \$145,000 net of the payment of \$45,000 paid in 2019 represented a non-substantial modification of financial liabilities under IFRS 9, as the respective differences between the net present value of the cash flows under the modified terms was less than 10 percent different from the net present value from the remaining cash flows of the loan prior to modification, both discounted at the original effective interest rate, resulting in a gain on modification of \$4,466 recognized in profit or loss.

The loan as at December 31, 2019 for total principal amount of \$205,000 has also been valued at the present value of anticipated future repayments using a discount rate of 10%, which represents the estimated borrowing rate to the Company for a similar loan and anticipated repayment terms. The loan will be accreted to its face value over the term to maturity of the loan at an effective interest rate of approximately 9.70%.

In the nine months ended September 30, 2021 the Company repaid these loans plus accrued interest.

In addition to the above, debts of the Company in the amount of \$7,612 were assigned to an investor on August 19, 2019 and are included in trades and other payables at December 31, 2020. This amount payable is unsecured, non-interest bearing and due on demand and was repaid in February 2021.

Operating loans payable were advanced during the nine months ended September 30, 2021 in the amount of \$10,000 (year ended December 31, 2020 - \$25,000). Receipt of these advances is providing the working capital for the Company to prepare its consolidated financial statements and for corporate registrations. These loans are unsecured, bear interest at 10% per annum and are due on demand. In September 2021, the outstanding loan of \$10,000 plus interest of \$238 was repaid.

## **Financial Instruments**

As at September 30, 2021, the Company's financial instruments consist of cash, loans and trade and other payables.

In management's opinion, the Company's carrying values of cash, loans and trade and other payables approximate their fair values due to the immediate or short-term maturity of these instruments.

The Company's financial instruments are exposed to the following risks:

### *Credit Risk*

Currently the Company does not have any material exposure to credit risk. As the Company's policy is to limit cash holdings to instruments issued by major Canadian banks, or investments of equivalent or better quality, the credit risk is considered by management to be negligible.

### *Liquidity Risk*

Liquidity risk is the risk that the Company will not be able to pay financial liabilities as they come due. The Company's only liquidity risk from financial instruments is its need to meet trade and other payables requirements. The Company maintains sufficient cash balances to meet its needs at September 30, 2021.

### *Price Risk*

The Company is not exposed to price risk.

### *Currency Risk*

As at September 30, 2021, the Company's expenditures are predominantly in Canadian dollars, and any future equity raised is expected to be predominantly in Canadian dollars. As a result, the Company does not believe it is exposed to any significant currency risk.

### *Interest Rate Risk*

The Company is exposed to interest rate risk arising from the cash maintained at Canadian financial institutions and lawyers' trust accounts. The interest rate risk on cash is not considered significant due to its short-term nature and maturity.

## **Capital Management**

The Company's objectives for the management of capital are to safeguard the Company's ability to continue as a going concern, including the preservation of capital, and to achieve reasonable returns on invested cash after satisfying the objective of preserving capital.

The Company considers its capital to be the accounts within shareholders' deficiency. The Company's policy is to maintain sufficient cash balances to cover operating and exploration costs over a reasonable future period. The Company accesses capital markets as necessary and may also acquire additional funds where advantageous circumstances arise.

The Company currently has no externally imposed capital requirements. There have been no changes in the Company's approach to capital management during the period.

## **Critical Accounting Estimates**

The preparation of audited consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent assets and liabilities in the consolidated financial statements. The Company constantly evaluates these estimates and assumptions.

The Company bases its estimates and assumptions on the past experience and other factors that are deemed reasonable under the circumstances. This involves varying degrees of judgment and uncertainty, thus the amounts currently reported in the consolidated financial statements could prove to be inaccurate in the future.

## **New Accounting standards**

A number of new standards and amendments to existing standards have been issued by the IASB that are mandatory for accounting periods beginning on or after January 1, 2021, or later periods. The Company has not early adopted these new standards in preparing these consolidated interim financial statements and is currently evaluating the impact, if any, that these standards might have on its financial statements.

## **Risk Factors**

The exploration of mineral deposits involves significant risks, which even a combination of careful evaluation, experience and knowledge may not overcome. Certain of the more immediate factors are discussed as follows:

### ***Exploration, evaluation and development***

Mineral exploration, evaluation and development involve a high degree of risk and few properties that are explored are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration and evaluation activities will result in any discoveries of new bodies of commercial ore. There is also no assurance that presently identified mineralization can be mined at a profit. Discovery of mineral deposits is dependent upon a number of factors and significantly influenced by the technical skill of the exploration personnel involved.

The commercial viability of mineral deposits is also dependent upon a number of factors, some of which are beyond the Company's control such as commodity prices, exchange rates, government policies and regulations and environmental protection.

### ***Financing***

The Company does not currently have any operations generating cash to fund projected levels of exploration and evaluation activity and associated overhead costs. The Company is therefore dependent upon debt and equity financing to carry out its exploration and evaluation plans. There can be no assurance that such financing will be available to the Company. In the future, the Company will require additional funding to maintain its mineral properties in good standing. The lack of additional financing could result in delay or indefinite postponement of further exploration and possible partial or total loss of the Company's interest in its exploration and evaluation assets.

### ***Commodity price volatility***

The market prices for commodities are volatile. The Company does not have any control over such prices or volatility. There is no assurance that if commercial quantities of mineralization are discovered, a profitable market will exist for a production decision to be made or for the ultimate sale of production at a profit. As the Company is currently not in production, no sensitivity analysis for price changes has been provided.



### **Changes in Internal Controls over Financial Reporting**

There have been no changes in the Company's internal control over financial reporting during the nine months ended September 30, 2021, that have materially affected, or are reasonably likely to materially affect, its internal control over financial reporting.

### **Approval**

The Board of Directors of Tisdale Resources Corp. has approved the disclosure contained in this MD&A as of October 19, 2021.