



**MOUNTAIN BOY MINERALS LTD.**  
*(An Exploration Stage Company)*  
**MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS**  
**FOR THE THREE MONTHS ENDED FEBRUARY 28, 2021**

## **OVERVIEW AND INTRODUCTORY COMMENT**

Mountain Boy Minerals Ltd. (“Mountain Boy” or the “Company”) is a Canadian based mineral exploration company listed on the TSX Venture Exchange under the trading symbol “MTB” and on the OTCQB under the trading symbol of “MBYMF”. The Company is a Canadian based mineral exploration company with a property portfolio of gold and silver projects in the Stewart area within the highly prolific Golden Triangle of northwestern British Columbia.

The Company holds a 35% interest in the Red Cliff gold project, 100% of the American Creek silver-gold project, 100% of the Theia silver-gold project, 100% of the Southmore gold-copper project and is acquiring 100% of the Barbara and Surprise Creek volcanic massive sulphide (VMS) copper-lead-zinc-silver projects. The Company received 3.7 million shares of Ascot Resources Ltd. in 2018 for selling its minority interest in the Silver Coin project.

This MD&A is dated April 13, 2021 and discloses specified information up to that date. Unless otherwise noted, all currency amounts are expressed in Canadian dollars. The following information should be read in conjunction with the unaudited condensed interim financial statements and the related notes for the three months ended February 28, 2021 and the Company’s audited financial statements as at November 30, 2020 and the related notes thereto, prepared in accordance with International Financial Reporting Standards (“IFRS”).

Additional information relevant to the Company and the Company’s activities can be found on SEDAR at [www.sedar.com](http://www.sedar.com), and/or on the Company’s website at [www.mountainboyminerals.ca](http://www.mountainboyminerals.ca).

All currency amounts are expressed in Canadian dollars unless otherwise noted.

## **MAJOR QUARTERLY OPERATING MILESTONES**

### **a) American Creek Project**

On February 24, 2021, the Company announced the results from its 2020 exploration program on the American Creek Project. The program, which wrapped up in early November 2020, included 2,100 metres of a planned 4,000-metre drill campaign. Drilling will resume in the spring with the additional information in hand from the program just completed. Three target areas spanning 2.5 kilometres were tested, two for the first time. Results provide encouragement to resume the program as soon as possible in the upcoming season.

**b) BA and Surprise Creek Projects**

On March 31, 2021, the Company announced that channel sampling on its BA property has further extended the silver-lead-zinc volcanogenic massive sulphide mineralization beyond the zone previously drilled. The mineralized zone is located 4 kilometres (km) south of the Stewart highway. This newly uncovered area occurs at the northern end of the main Barbara zone and has never been drill tested. Assays of up to 601 grams per tonne silver, 1.98 grams per tonne gold, 3.31% lead and 9.96% zinc have been returned from the channel sampling in the 2010, 2016 and 2020 programs. To date, drilling and channel sampling has confirmed 700 metres of strike length to the Barbara Zone and it remains open.

**c) Southmore Property**

On March 3, 2021, the Company announced results from its 2020 exploration program on the property. The 2020 program continued the prospecting and mapping that was initiated in 2019 in order to broaden the geological understanding, including the structural controls for mineralization. The Southmore project was explored in the late 1980s and early 1990s, resulting in several significant mineral occurrences being identified, but there was no follow-up until the Company consolidated the property in 2019 through staking and acquisition. Key findings from the recent program include the identification of several small intrusive bodies with locally associated mineralization as well as other mineralized structures. Historic and current results, as well as the prospective geological setting are encouraging. The Company is proposing a 2021 exploration program that includes both an airborne geophysical survey and a LiDar survey. These surveys will help guide further surface work and prioritize targets. In addition, the Company has submitted a notice of work for a drill permit.

**d) Theia Property**

On December 22, 2020, the Company announced the acquisition, through staking and purchase of another highly prospective property in the Golden Triangle – the Theia property. The Company paid \$10,000 and 50,000 shares for the Rouge claim, with an NSR of 1.5% retained by the seller. This NSR may be purchased at any time for \$1,500,000. The Razzle/Dazzle group was purchased for \$12,500. All tenures are now held 100% by the Company.

On March 8, 2020, the Company announced that field work in 2020 was spent following up on the high-grade silver occurrences identified in the 1990's. The team confirmed the historic occurrences and extended the mineralized trend to 500 metres and provided some results from recent grab samples.

The geological team continues to assemble the results of previous work conducted by numerous companies over various parts of this extensive property. An airborne geophysical survey was flown in 2010, involving magnetics and versatile time domain electromagnetics (VTEM). The survey identified a number of EM and magnetic trends of interest. The Company plans a more thorough interpretation of this geophysical survey and will use the results in guiding future field work. Receding glaciers in the area have also exposed ground that has



never been explored. A follow-up program is being designed for 2021 to further evaluate the Theia project and an application for a drill permit has been submitted.

## **QUATERLY FINANCIAL CONDITION**

### Capital Resources

On December 23, 2020, the Company issued 50,000 common shares with a fair value of \$20,500 for the Rouge claim pursuant to the Theia property acquisition.

On February 26, 2021, the Company issued 150,000 common shares with a fair value of \$27,750 to the optionors for the Dorothy property.

The Company issued a total of 12,600 common shares for proceeds of \$3,150 pursuant to the exercise of finder's warrants.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds.

The Company is aware of the current conditions in the financial markets and has planned accordingly. The Company's current treasury and the future cash flows from warrants and options, along with the planned developments within the Company as well as with its JV partners will allow its efforts to continue throughout 2021. If the market conditions prevail or improve, the Company will make adjustment to budgets accordingly.

### Liquidity

As at February 28, 2021, the Company's working capital was \$2,969,035 (November 30, 2020 - \$3,194,186). With respect to working capital, \$2,729,358 was held in cash (November 30, 2020 - \$3,288,321). The decrease in cash of \$558,963 was mainly due to \$422,751 used in operations and \$216,342 used in exploration and evaluation assets, while being offset by the proceeds from sale of marketable securities of \$77,583 and net proceeds from the issuance of common shares of \$2,547.

### Operations

During the three months ended February 28, 2021, the Company reported a loss of \$11,745 (\$0.00 loss per share) (2020 - \$986 (\$0.00 loss per share)).

The Company's general and administrative expenses amounted to \$143,146 during the three months ended February 28, 2021 (2020 - \$64,053), an increase of \$79,093 mainly due to the increase in investor relations fees (from 2020's \$9,000 to 2021's \$31,669); increase in management fees (from 2020's \$17,900 to 2021's \$25,900) because more of the Chief



Executive Officer's amounts were being allocated to general administrative expenses as opposed to the properties; increase in office expenses (from 2020's \$2,383 to 2021's \$33,743); and an increase in shareholder communication fees (from 2020's \$5,353 to 2021's \$12,590). All these increases were to support the exploration activities at the Company's properties. The Company continues to monitor its use of cash and has been actively seeking ways to conserve cash.

The other major item for the three months ended February 28, 2021, compared with February 29, 2020 was:

- Settlement of flow-through premium liability \$52,879 (2020 – \$Nil);
- Fair value gain on marketable securities of \$45,061 (2020 – fair value gain of \$147,019); and
- Realized gain on marketable securities of \$32,584 (2020 – realized loss of \$84,240).

### **SIGNIFICANT RELATED PARTY TRANSACTIONS**

During the quarter, there was no significant transaction between related parties.

### **COMMITMENTS, EXPECTED OR UNEXPECTED, OR UNCERTAINTIES**

As of the date of this MD&A, other than disclosed in this MD&A – Quarterly Highlights, the Company has does not have any commitments, expected or unexpected, or uncertainties.

### **RISK FACTORS**

In our MD&A filed on SEDAR March 25, 2021 in connection with our annual financial statements (the "Annual MD&A"), we have set out our discussion of the risk factors *Exploration risks*, *Market risks* and *Financing risk* which we believe are the most significant risks faced by the Company. An adverse development in any one risk factor or any combination of risk factors could result in material adverse outcomes to the Company's undertakings and to the interests of stakeholders in the Company including its investors. Readers are cautioned to take into account the risk factors to which the Company and its operations are exposed. To the date of this document, there have been no significant changes to the risk factors set out in our Annual MD&A.

### **DISCLOSURE OF OUTSTANDING SHARE DATA**

The authorized share capital of the Company consists of an unlimited number of common shares without par value. The following is a summary of the Company's outstanding share data as at February 28, 2021:



	Issued and outstanding	
	February 28, 2021	April 13, 2021
Common shares outstanding	53,992,151	53,992,151
Stock options	4,385,000	4,385,000
Warrants	5,575,000	5,575,000
Finder's warrants	69,180	69,180
Fully diluted common shares outstanding	64,021,331	64,021,331

## QUALIFIED PERSON

Mr. Andrew Wilkins, P. Geo, is a Qualified Person, as defined by National Instrument 43-101. Mr. Andrew Wilkins has reviewed the technical contents of this MD& A.

### Cautionary Statements

This document contains “forward-looking statements” within the meaning of applicable Canadian securities regulations. All statements other than statements of historical fact herein, including, without limitation, statements regarding exploration results and plans, and our other future plans and objectives, are forward-looking statements that involve various risks and uncertainties. Such forward-looking statements include, without limitation, our estimates of exploration investment, the scope of our exploration programs, and our expectations of ongoing administrative costs. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from our expectations are disclosed in the Company’s documents filed from time to time via SEDAR with the Canadian regulatory agencies to whose policies we are bound. Forward-looking statements are based on the estimates and opinions of management on the date the statements are made, and we do not undertake any obligation to update forward-looking statements should conditions or our estimates or opinions change, except as required by law. Forward-looking statements are subject to risks, uncertainties and other factors, including risks associated with mineral exploration, price volatility in the mineral commodities we seek, and operational and political risks. Readers are cautioned not to place undue reliance on forward-looking statements.