AMERICAN CUMO MINING CORPORATION

Management's Discussion and Analysis
June 30, 2020

INTRODUCTION

The following Management's Discussion and Analysis ("MD&A") of the results of operations and financial position of American CuMo Mining Corporation ("CuMoCo") together with its subsidiaries (collectively, the "Company") is prepared as of October 28, 2020 and should be read in conjunction with the Company's audited consolidated financial statements and notes for the year ended June 30, 2020 ("fiscal 2020") and the Company's audited consolidated financial statements and notes for the year ended June 30, 2019 ("fiscal 2019").

The Company's financial statements are reported under International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

The Company's reporting currency is the Canadian dollar and all figures in this MD&A are in Canadian dollars unless otherwise indicated.

Some of the statements in this MD&A are forward-looking statements that are subject to risk factors set out in the cautionary note contained herein.

CuMoCo is a Canadian mineral exploration and development company that has historically focused on identifying, acquiring, and developing natural resource opportunities in the United States and Canada. The Company's flagship project is the CuMo molybdenum project (the "CuMo Project"), located in Idaho, in the United States.

CuMoCo's common shares are listed on the TSX Venture Exchange ("TSX-V") under the trading symbol "MLY" and on the OTC Pink sheets in the United States under the trading symbol "MLYCF". CuMoCo's share options and warrants are not listed.

CORPORATE OVERVIEW

2016 was a significant turning point in the development of the Company. With the various proxy battles behind itself, the Company was able to move forward on several fronts. In January of 2016, successful testing of Ore-Sorting on the CuMo Project led to a significant improvement in potential mill feed grades of the CuMo deposit. Ore-Sorting will allow the deposit to be mined at a high rate, sorted, and then processed at a lower rate. (See news release dated January 23,2017 and January 12, 2016). An independent 43-101 PEA level report was started in November 2018 and was completed in June 2020 confirming the above statement.

The Company continues to examine technologies and methods of reducing costs and potential environmental impacts, including using a conveyor system instead of trucks, fully optimizing the open-pit design, and examining variable cut-off grades.

In June 2016, the Company attracted the interest of a significant investor and potential partner for the CuMo Project when it announced the signing of a non-binding memorandum of understanding with MCC8 Group Company Limited and Ping Shan Resource Holdings Ltd (Chinese Partners). The parties entered the MOU to formalize their understanding and intentions with respect to funding the strategic and sustainable development of the CuMo Project. Specifically, the Chinese Partners were to arrange a minimum of US$700 million in project financing for the development and construction of the CuMo Project to receive an 80 percent of net proceeds interest in the joint venture to be formed between Idaho.

CuMo Mining Corporation (Idaho CuMo) and the Chinese Partners in respect of the CuMo Project (Joint Venture). Subsequent funding of the Joint Venture was to be provided on a pro rata basis. At the appropriate time, Idaho CuMo intended to seek mining equipment equity loans to cover its 20 percent of the contributions to the Joint Venture. The parties were to negotiate a binding, definitive project financing agreement (Definitive Agreement). The terms of the Definitive Agreement would be subject to various regulatory, government, Board of Director, and shareholder approvals. The terms of the MOU provided that once Idaho CuMo has obtained US$25 million in new capital (Initial Funding), the Chinese Partners would be granted exclusivity for one year to perform due diligence, obtain all required approvals and secure funding to complete the proposed transaction (Exclusivity Period). On February 14, 2017, the deal was cancelled because of Chinese Partners failed to deliver the initial funding for the project.

On November 14, 2016, the Company entered into an option agreement to purchase certain mineral claims located in Lemhi County, Idaho, known as the Calida Gold project. The property consists of eight (8) unpatented mineral claims covering several significant mineralized gold, silver, and copper veins. Subsequently, the Company staked an additional 45 Claims bringing the total property area to 1,060 acres.

On November 16, 2016 Idaho CuMo signed a joint venture agreement with Platinum Resources International Limited ("PRI") whereby it sells 20% ownership shares of Idaho CuMo to the Joint Venture for US$100 million and assigns the Calida Mine property option agreement to the joint venture with net interests of 80% PRI, 15% Idaho CuMo and 5% Strategic Venture Fund. PRI must contribute or arrange for US$200 million to be contributed within 30 months, with the initial US$10 million within 90 days. This arrangement was subsequently terminated February 14, 2017 when PRI failed to make the initial payment.

On February 25, 2017, the Company entered a strategic financial relationship with Millennia Minerals (Singapore) ("Millennia") initially through a binding Memorandum of Understanding (MOU) to be further consummated by the execution of a Definitive Agreement. The agreement calls for the Company to sell 20% ownership shares of Idaho CuMo to the Joint Venture for US$100 million and sell an 80% interest in Poly Resources to Millennia for US$100 million. Modifications to the details of the agreement were made in May 2017 and a Millennia strategic investment partner (Acepac Holdings) advanced the sum of US$1 million to the Company against a 5% ownership in Poly Resources. In January 2018, a Heads of Agreement was signed updating the payment terms of the arrangement. (See note 20d of the interim March 31, 2020 financials for details).

As of June 30, 2020, the Company is still awaiting the next payment under the terms of the deal.

OVERALL PERFORMANCE FISCAL 2020

In fiscal 2020, the Company recorded a net loss of $1,248,223 or $0.01 per share, compared to a net loss of $4,690,064 or $0.03 per share in fiscal 2019.

Nature of expense	$	% of total loss
Salaries and Management Fees	64,925	5%
Consulting and professional fees	33,991	3%
Interest expense	559,856	45%
Convertible debenture expense	310,200	25%
Shareholder communications and regulatory	119,602	9%
All other expenses	159,649	13%
	1,248,223	100%

The Company's cash balance and working capital at June 30, 2020 were $4,597 and a deficiency of $8,526,483 (due to the inclusion of various debentures and convertible notes) respectively, compared to cash of $160,271 and working capital deficiency of $7,226,457 on June 30, 2019.

SELECTED ANNUAL INFORMATION

	Year ended June 30, 2020	**Year ended June 30, 2019**	**Year ended June 30, 2018**
Total revenue	-	-	-
Net (loss) earnings	(1,248,223)	(4,690,064)	(1,940,591)
Basic and diluted (loss) earnings per share	(0.01)	(0.03)	(0.01)

	At June 30, 2020	**At June 30, 2019**	**At June 30, 2018**
Total assets	$25,121,057	$24,756,638	$27,999,942
Total liabilities American CuMo [1]	$8,571,047	$7,330,905	$7,688,390
Total liabilities Non-American CuMo [2]	$6,253,323	$5,896,267	$5,191,955
Total liabilities Consolidated	$14,824,370	$13,227,172	$12,880,345
Cash dividends declared	-	-	-

[1] These are liabilities for which American CuMo is responsible and liable. A majority of the increase from 2019 to 2020 is due to the accrued interest on the outstanding debt.

[2]These are liabilities for which American CuMo is not responsible and liable. The liabilities belong to USA subsidiaries of the Company. American CuMo is only a shareholder and under the laws of the incorporating State (Idaho, Delaware and Nevada), it is not responsible for the debts and liabilities of these subsidiaries.

PROPERTY AND EQUIPMENT

A summary of the Company's property and equipment is provided below:

	Office equipment and furniture	Land	Total
Cost:	$	$	$
Balance at June 30, 2018	175,562	1,218,145	1,393,707
Additions	-	-	-
Balance at June 30, 2019	175,562	1,218,145	1,393,707
Additions	-	-	-
Balance at June 30, 2020	175,562	1,218,145	1,393,707
Accumulated depreciation:			
Balance at June 30, 2018	173,935	-	173,935
Depreciation	488	-	488
Balance at June 30, 2019	174,423	-	174,423
Depreciation	1,139	-	1,139
Balance at June 30, 2020	175,562	-	175,562
Carrying amount:			
At June 30, 2019	1,139	1,218,145	1,219,284
At June 30, 2020	-	1,218,145	1,218,145

Land includes the cost of acquiring three parcels of land in Boise County, Idaho and three parcels of land in Elko County, Nevada. All of the costs associated with the Elko County parcels have been fully impaired in prior years.

EXPLORATION PROJECTS

The Company's flagship project is the CuMo molybdenum project, located in Idaho, in the United States.

The Company has other unproven mineral right interests in the United States and in Canada, which have been either optioned to other exploration companies, or written down to a nominal carrying value.

CUMO PROJECT

The CuMo Project is situated in the mountains of south-central Idaho, approximately 15 miles northeast of the town of Idaho City. Good all-weather highway and logging roads provide easy access to the project from Idaho City. The Project consists of eight unpatented mineral claims.

Geologically, the Project is situated along the northeast trending Trans-Challis Structural Zone in a complex assemblage of Tertiary age felsic dykes and stocks that intrude quartz monzonite of the Idaho batholith. Between 1973 and 1981 Cyprus Amax Minerals Company ("Amax") drilled 26 holes totaling 30,821 feet and in 1982, produced a computer generated Kriged block model for the project.

In 1997, the Project was acquired by CuMo Molybdenum Mining Inc., which in 2004 optioned it to the Company. The terms of the option agreement called a combination of advance royalty payments, 300,000 CuMoCo shares (issued) and work requirements, as outlined below.

1. Advance royalty payments:

   - US$10,000 upon signing (completed);
   - US$10,000 after 60 days (completed);
   - US$5,000 after 6 months (completed);
   - US$20,000 1st year anniversary (completed);
   - US$20,000 2nd year anniversary (completed);
   - US$15,000 3rd year anniversary (completed);
   - US$15,000 every 6 months thereafter (up-to-date).

   These payments are to be credited against a 1.5% net smelter return ("NSR") which reduces to 0.5% NSR after cumulative payments of US$3,000,000.

2. Work requirements:

   - US$25,000 during the first year (completed);
   - At least US$50,000 each year thereafter (up-to-date).

In November 2009, CuMoCo announced the results of an independent National Instrument 43-101 ("NI 43-101") compliant Preliminary Economic Assessment ("PEA") managed by Ausenco Minerals Canada Inc. ("Ausenco"), a Vancouver-based engineering firm with corporate headquarters in Brisbane, Australia.

In April 2011, the Company announced an updated NI 43-101 compliant indicated and inferred resource estimate for the Project which significantly expanded the overall mineral resource and further confirmed that CuMo is the largest un-mined open pit accessible primary molybdenum project. Snowden Mining Industry Consultants, an independent internationally recognized mineral industry consultant, calculated the estimate. At the request of the TSX-V, due to minor deficiencies with the certificates and consents of some of the Qualified Persons on the report, the resource report was re-filed in July 2012. The re-filed report contained no changes to the resource numbers, the only changes in the report were in respect of some of the responsibilities and declarations.

In May 2012, the Company initiated a 15,000-foot diamond drilling program to further explore the Project. A total of six holes have been completed to date.

In September 2012, the United States District Court - Idaho District (the "Court") decided in favor of the United States Forest Service ("USFS") and its Finding of No Significant Impact ("FONSI") at the Project. The USFS had been challenged by local environmental groups over its Environmental Assessment determination for CuMo. The Court noted the USFS had developed insufficient baseline data on groundwater quality and directed the USFS to undertake further analysis concerning groundwater and to prepare additional National Environmental Policy Act studies or to provide a reasonable explanation as to why exploration impacts would be insignificant. The USFS subsequently directed the Company to suspend work that might have groundwater interaction, including drilling.

During fiscal 2015, the Company worked to resolve this matter and continued to advance the necessary studies and assessments required for the USFS's Supplemental Environmental Assessment of the CuMo Project. The Supplemental Environmental Assessment was issued on August 15, 2013 and follows the USFS's 2011 Decision Notice and FONSI which will enable fulfillment of a federal judge's order to carry out studies necessary for the completion of the exploration phase of the CuMo Project. Following the release of the Supplemental Environmental Assessment, a 30-day public comment period took place, which ended satisfactorily on September 18, 2013. The USFS entered a protracted process of responding to the comments that were received and on April 13, 2015 released the draft decision notice re-affirming the FONSI. This began an appeal period.

October 7, 2015 the final decision notice and FONSI was announced, thus completing this long and exhaustive supplemental process.

In January 2016, three local anti-development environmental groups challenged the USFS over its supplemental Environmental Assessment determination for the CuMo Project on the issues of groundwater and a supposedly sensitive plant species.

On July 14, 2016, US District Court - District of Idaho decided in favor of the US Forest Service ("USFS") in regard to the previously ordered updated groundwater study. In dismissing the claims that the exploration work would harm groundwater, the Idaho District Court noted, "*the Court finds the Forest Service's analysis and conclusions regarding groundwater satisfy NEPA. The Forest Service has complied with the Court's prior order and addressed the concerns stated therein with regard to groundwater. Therefore, the Court upholds the Forest Service's SDN/FONSI as to the NEPA challenges relating to groundwater".*

The Court therefore affirmed the Forest Service's determination that the work proposed at the CuMo site will have no significant effect on the groundwater and thus the Boise River located over 35 miles away.

Regarding the sensitive plant species, the Court noted that the effects of the 2014 Grimes Creek fire (which was totally unrelated to project activities) may have affected the plant population on the project site and that this fire impact had not been completely analyzed as part of the decision process. The Court directed the Forest Service to issue a new decision after an updated baseline survey has been established for the plant. Tetra Tech, an independent contractor, completed the updated baseline study. The Court also found no problems with the overall mitigation plans. The Court directed that decisions be made in the proper order by completing the baseline survey before making the decision to proceed, even though the prior approval required the baseline study be completed prior to any work starting. The Court directed the USFS to update its decision by an amendment or addendum to the Supplemental EA, Supplemental Decision Notice and Finding of No Significant Impact, following completion of the baseline plant study.

Project activity during the summer of 2016 was severely hampered by a major fire (Pioneer fire) that started in July and was extinguished by mid-November. The fire passed close to the CuMo property on the eastern margins, but the area of the new plant survey and proposed drilling areas were unaffected by the fire. Overall, the fires of 2014 and 2016 in the vicinity have burnt about 90% of the CuMo Project area. The fires were burning in the old mature and beetle-killed areas of the forest that should have been harvested years ago.

Adair Property

On February 5, 2017, the Company purchased a 100% interest in 20 claims that are adjacent to the CuMo Project in exchange for shares and a silver debenture unit. The claims are known as the Adair property.

GeoResources Property

In April 2017, the Company completed an option agreement to acquire from GeoResources Inc. thirty-six (36) patented mining claims, covering an area of approximately 640 acres adjacent to the CuMo Project. Patented claims contain the surface rights as well as the mineral rights.

As of September 2019, the Company continued to update plant environmental studies at the site and within a 10-mile radius. The survey was successfully completed with an increase shown in plant numbers on the property despite ground disturbing activities due to firefighting activities. Large populations of the plant were also established well outside the project area. The Company continues to work with the US Forest Service to re-affirm and establish the exploration permits required for 2021. Until such permits are delivered, no ground disturbing work can proceed on the property. Costs over the next 12 months are dependent on delivery of that permit. The company plans to proceed with the programs outlined in the project technical report, following acquisition of the required permit until such time the focus will be on metallurgical and ore-sorting testing.

In today's economy it takes on average approximately 20 years to develop a mining project from initial work on the ground, CuMo currently is entering year fifteen (15). The Company looks forward to continuing to advance its CuMo Project and to obtaining the necessary data to make informed decisions on best ways to proceed with its development. The next major stage is a pre-feasibility study.

BOISE PROPERTY

On July 8, 2010, the Company entered into an option agreement, amended on July 5, 2011, to purchase certain mineral claims that included surface rights located in Boise County, Idaho. To maintain the option in good standing, the Company was required to make option payments of US$1,200,000.

On July 8, 2012, the Company completed the option agreement and acquired three parcels of land that included surface rights located in Boise County, Idaho. These parcels of land, inclusive of six patented claims, are contiguous to and provide access to the CuMo project. The costs associated with this property are recorded in property and equipment.

CALIDA GOLD (United States)

On October 31, 2016, the Company entered into an option agreement to purchase certain mineral claims located in Lemhi County, Idaho. The property consists of eight unpatented mineral claims covering several significant mineralized gold, silver, and copper veins.

Subsequent to entering into the option agreement, Poly Resources staked an additional 45 claims at this property.

During the year ended June 30, 2019, the Company stopped making the option payments and wrote the property down to $1. As a result, the Company incurred an impairment loss of $1,838,123. The Company is allowing the Calida claims to lapse as they come due.

OTHER PROPERTIES (UNITED STATES)

In 2006 the Company signed a purchase agreement for 53 patented claims on Spruce Mountain, Elko County, Nevada. The property covers a large molybdenum porphyry system containing silver, rhenium and copper.

All of the costs associated with the Elko County property have been fully impaired in prior years. The patented claims have been placed as a property asset as they are considered real estate.

BRETT PROPERTY (Canada)

In 2003 the Company completed an agreement to acquire a 100% interest in the Brett #1 and Brett #2 mineral claims located in the Vernon Mining District of British Columbia for a consideration of 500,000 shares of the Company.

In 2004, Running Fox Resource Corp. ("Running Fox") and the Company entered into an option agreement on the Brett property whereby Running Fox earned a 50% interest in the property in 2004.

In 2011, the Company entered into a subsequent agreement with Running Fox whereby the Company sold to Running Fox the remaining 50% interest, subject to a sliding scale NSR on the property based on the price of gold as follows:

- Gold price up to $500 per ounce: 2% NSR;
- Gold price between $501 and $1,000 per ounce: 3% NSR;
- Gold price between $1,001 and $1,500 per ounce: 5% NSR;
- Gold price between $1,501 and $2,000 per ounce: 6% NSR; and
- Gold price over $2,001 per ounce: 8% NSR.

On December 20, 2013, and subsequently amended on February 14, 2017 April 5, 2017 and December 4, 2018, the Company entered into an agreement (the "Agreement") whereby Ximen Mining Corp. ("Ximen") acquired the Company's above NSR interest.

The terms of the amended agreement were as follows:

- $50,000 upon signing, in stock or cash at purchaser's discretion (the Company received 628,900 Ximen shares);
- $420,000 on April 5, 2018, in stock (the Company received 1,325,780 Ximen shares);
- $60,000 upon the first anniversary, in stock or cash at purchaser's discretion (the Company received 227,120 Ximen shares); and
- $720,000 in stock as a final purchase price (the Company received 2,400,000 Ximen shares).

During the year ended June 30, 2019, the Company received 2,400,000 shares valued at $744,000, per the amended agreements.

A summary of the Company's unproven mineral right interests is provided below:

	Cumo	Calida	Total
	$	$	$
Balance, June 30, 2018	**23,839,352**	**1,779,263**	**25,618,615**
Exploration expenditures			
Community relations	-	942	942
Drilling	-	2,774	2,774
Geological/professional fees	56,398	28,240	84,638
Environmental studies	730,919	-	730,919
Engineering	379,204	4,926	384,130
Other exploration costs	10,915	1,323	12,238
	25,016,788	1,817,468	26,834,256
Other items:			
Acquisition costs and payments	70,107	10,772	80,879
Impairment	(1,896,197)	(1,817,294)	(3,713,491)
Exchange rate change	(30,460)	(10,945)	(41,405)
Balance. June 30, 2019	**23,160,238**	**1**	**23,160,239**
Exploration expenditures			
Engineering	181,255	-	181,255
Environmental studies	30,569	-	30,569
Other exploration costs	11,366	-	11,366
	23,383,428	1	23,383,429
Other items:			
Acquisition costs and payments	64,060	-	64,060
Exchange rate change	174,938	-	174,938
Balance. June 30, 2020	**23,622,426**	**1**	**23,622,427**

RESULTS OF OPERATIONS

The Company recorded a net loss of $1,248,223 or $0.01 per share, compared to a net loss of $4,690,064 or $0.03 per share in fiscal 2019.

The most significant expenses incurred in fiscal 2020 were Interest expenses of $559,856 (2019: $462,164) and convertible debenture expense of $310,200 (2019: $264,935).

Other comprehensive loss of $37,891 (2019: income of $31,774) includes cumulative translation adjustments.

SUMMARY OF QUARTERLY RESULTS

QUARTERS ENDED

	30-Jun	31-Mar	31-Dec	30-Sep
	2020	2020	2019	2019
	$	$	$	$
Comprehensive Income (Loss)	(2,354,487)	556,676	(361,964)	873,661
Income (Loss) per Share (1)	(0.02)	0.00	(0.00)	0.01
	30-Jun	31-Mar	31-Dec	30-Sep
	2019	2019	2018	2018
	$	$	$	$
Comprehensive Loss	(2,972,363)	(722,777)	(364,662)	(598,488)
Loss per Share (1)	(0.02)	(0.00)	(0.00)	(0.00)

[1] Presented on an undiluted basis

Volatility in net loss from period to period exists in respect of material one-off transactions such as disposals and/or impairment of unproven mineral right interests.

During the three months ended June 30, 2020, the Company recorded a net loss from operations of $724,324 compared to a net loss of $2,972,363 for the three months ended June 30, 2019. The main reasons for this difference are certain one-off transactions that occurred in the fourth quarter of fiscal 2019, these being the impairment of mineral properties of $3,756,054, the gain on sale of unproven mineral rights of $744,000 and the loss on sale of investments of $588,157. Some other items to note from period to period include the following: payments for completion of the ongoing Preliminary Economic Analysis Technical report on CuMo and payments for continuing the work on the environmental permit.

For the three months ended June 30, 2020, the Company incurred $104,977 compared to $250,816 in Investor relations, shareholder communications and regulatory expenditures. The decrease is the result of the restrictions placed on the company's communication as a result of the cease trade order and effects of Covid-19 restrictions. Salaries and management fees dropped from $58,046 for the period ended June 30, 2019 to $15,448 for the period ended June 30, 2020, mainly as a result of reduced management fee charges. Finally, consulting fees expensed were $11,708 for the period ended June 30, 2020 compared to $392,993 for the period ending June 30, 2019. The change is due to reduced work on the project as a result of the cease trade order and the waiting for the next permit.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

The Company considers items included in shareholders' equity as capital. The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders.

The Company's cash balance and working capital at June 30, 2020 were $4,597 and a deficiency of $8,526,483 (due to the inclusion of various debentures and convertible notes) respectively, compared to cash of $160,271 and working capital deficiency of $7,226,457 on June 30, 2019.

The change in cash balance and working capital during fiscal 2020 was the result of cash used in operating activities and project development

The Company recorded a net loss of $1,248,223 during fiscal 2020, compared to a net loss of $4,690,064 during fiscal 2019. Risks and uncertainties are covered later on in this MD&A and these are related to the Company's expectations and ability to obtain sources of funding. The Company only has fixed cash obligations on the CuMo project of US$15,000 on April 18 and October 18 of each year, in order to keep the project in good standing. In order to maintain properties in good standing, the Company is required to make an annual payment to the Bureau of Land Management for claims fees of $165 per claim. There have been no changes in approach to managing capital during the fiscal 2020.

The Company's current working capital and cash flows are insufficient to continue exploration programs until new financing is obtained. There is insufficient cash currently available to meet administrative expenses beyond six months and management is undertaking cost saving measures necessary to meet obligations until a financing is obtained. As such, with its current plans and budgets associated with those plans, management believes it will need to raise additional capital resources to fund its budgeted exploration programs and administrative expenses for the next twelve months. The Company is not subject to externally imposed capital requirements.

As at June 30, 2020, the Company had cash of $4,597 and a tax receivable of $924. Management of cash balances is conducted in-house based on internal investment guidelines. Cash is deposited with major Canadian financial institutions. Cash required for immediate operations is held in a checking account and excess funds may be invested in accordance with the Company's capital resource objectives.

The Company has notes payable of $2,758,373 which are subject to legal actions and a counter claim and a $1,362,800 advance which has been assigned a 5% ownership interest in Poly Resources that is subject to legal action.

Convertible notes

In order to finance the ongoing development of the CuMo Project the Company borrowed from International Energy & Mineral Resources Investment (Hong Kong) Company Limited ("IEMR HK") the principal amount of $1,500,000 and US$1,500,000, and issued secured convertible notes (the "Notes") in respect of such indebtedness to IEMR HK (the "Financing"). These Notes matured in October and November 2017, respectively (the "Maturity Dates").

At the Maturity Dates, the Company made principal repayments of $500,000 and US$500,000 against the respective Notes.

On February 5, 2018, IEMR HK submitted a claim for judgement against the Company in the British Columbia Supreme Court for the outstanding $1,000,000 and US$1,000,000 principal amounts, plus interest and court costs. On March 2, 2018, the Company submitted a counterclaim against IEMR HK and other related entities for $2,106,472.69 and US$80,000, plus interest and other court costs.

Per the terms of the Financing, the Notes are no longer convertible into shares of the Company as the Maturity Dates have passed. As the conversion feature is no longer available to IEMR HK, the Notes have been reclassified into Notes Payable. At the Maturity Date the equity conversion feature of $294,147 was transferred into Equity reserve.

Exploration activity in the Company's projects and general and administrative overheads in fiscal 2020 were funded from cash at hand and the issuance of convertible debentures.

The Company is in the exploration stage and therefore does not generate operating cash flows. The Company's ability to continue operations is contingent on its ability to obtain funds through the future issuance of securities or from other sources.

Operating Activities

Cash used in operations in fiscal 2020, including the changes in non-cash working capital items, was $201,179 (2019: $1,049,768).

Investing Activities

Cash used in investing activities in fiscal 2020 was $132,870 (fiscal 2019: $677,730). Investing activities in 2020 consisted of expenditures on unproven mineral right interest of $156,457 (2019: $1,127,730), proceeds from the sale of investments of $20,587 (2019: $450,000) and proceeds received on refund of reclamation bonds of $3,000 (2019: $nil).

Financing Activities

In fiscal 2020, cash received from financing activities consisted of $178,375 (2019: $1,314,498).

Use of Proceeds

During fiscal 2019, private placements raised net proceeds of $1,122,367. These funds were used as follows:

Pea Level Technical report (SRK version)	$ 237,269
Pea Level Technical report (Sacre Davey version)	93,657
Environmental studies and permitting	730,919
Community Relations	38,714
Legal fees	21,808
Total	$ 1,122,367

All proceeds were used to complete the technical reports, advance the project permitting and maintain of legal position and matches what was disclosed at the time of the financings.

Note: Two versions of technical report exist, the first was done by Sacre Davey Engineering but due to it being non 43-101 compliant a second report done by SRK Engineering was commissioned.

Additional funds totaling $ 295,000 were raised through loans obtained from shareholders to Idaho CuMo Mining.

Funds expended during fiscal 2020:

General Working Capital rent etc.	$ 92,000
Audit fees for year-end	36,500
Filing fees for report	16,000
Legal fees	47,500
Pea Level Technical report (SRK)	65,500
Idaho CuMo support	32,000
Total to date	$289,500

TRANSACTIONS WITH RELATED PARTIES

Details of the transactions between the Company and other related parties are disclosed below.

Trading transactions

The Company's related parties consist of companies owned by or associated with executive officers and directors as follows:

	Nature of transactions
Dykes Geologic Systems Ltd.	Exploration and administration fees
Chief Financial Officer - Trevor Burns	Management fees

Dykes Geologic Systems Ltd. (Geologic Systems) is 50% owned by Shaun Dykes, President and CEO and 50% owned by his spouse.

Note: Dykes Geologic Systems Ltd. is the full legal name. The company is also known as Geologic Systems Ltd., which is its trade name.

During the years ended June 30, 2020 and 2019, the Company incurred the following fees in the normal course of operations in connection with companies owned by key management and directors. Fees have been measured at the exchange amount which is determined on a cost recovery basis.

	2020	2019
	$	$
Salaries and management fees	**66,773**	187,839
Exploration fees	**121,313**	-
	188,086	187,839

Amounts due to related parties are unsecured, non-interest bearing and due on demand. Trade and other payables at June 30, 2020 included $266,558 (June 30, 2019: $78,178), which were due to officers, directors and private companies controlled by directors and officers of the Company.

The $266,558 owed under trades payable is as follows: $255,531 is owed to Geologic Systems, consisting of salaries and exploration fees for the year, GST and expenses paid to support the Company. The remaining balance of $11,027 is owed to Trevor Burns.

CONTINGENCIES

a) During the year ended June 30, 2013, the Company received an invoice for $77,705 from Multi-Power Products Ltd., a supplier of drill supplies, and disputed this invoice. The drill supplies were shipped directly by the supplier to a Mexican company owned by a former director and officer of the Company. During the year ended June 30, 2014, Kirkness Diamond Drilling (a former subsidiary of the Company) and the Company were served with a Notice of Civil Claim by the supplier.

b) On April 1, 2016, the Company was notified of an action by a former officer of the Company regarding unpaid fees. This action has been inactive since April 21, 2016. The Company believes this claim is without merit.

c) On February 5, 2018, IEMR HK submitted a claim for judgement against the Company.

d) On March 22, 2019, the Company was served with a notice of claim filed by ACEPAC. ACEPAC seeks a claim for judgement against CuMoCo in the amount of $US1,000,000, plus interest, as well as damages for breach of contract and breach of trust and special costs. The claim relates to the $US1,000,000 payment received by Poly Resources, in connection with the MOU between CuMoCo, Poly Resources and Millennia.

Under the MOU, upon Millennia having satisfactorily completed due diligence, and the parties having successfully negotiated and entered into the Definitive Agreement on or before March 10, 2017, Millennia is to directly invest, partner and/or arrange new capital of up to US$200,000,000 for Poly Resources in return for up to a 63.77% interest in Poly Resources. The financing is to occur in three direct private placements into Poly Resources as follows:

First Private Placement: Millennia is to directly invest, partner and/or arrange US$10,000,000 for Poly Resources no later than April 28, 2017 in consideration of 50% of the shares in Poly Resources, on a pari passu fully diluting basis, subject to the parties having first entered into the Definitive Agreement. This First Private Placement is to be paid in two instalments:

- A first instalment of US$1,000,000 to be paid to Poly Resources within 48 hours of the execution of the Definitive Agreement in exchange for an option to acquire 50% of the shares of Poly Resources upon the payment to Poly Resources of a further US$9,000,000 (the "Second Instalment"). If the initial US$1,000,000 payment is not made when due, Millennia will lose its right to earn an interest in Poly Resources; and

- The second instalment of US$9,000,000 to be paid to Poly Resources no later than April 28, 2017 unless otherwise mutually agreed in writing by the parties. If the second instalment of US$9,000,000 is not made when due, Millennia will lose its right to earn an interest in Poly Resources.

Second Private Placement: Millennia is to directly invest, partner and/or arrange a further US$55,000,000 for Poly Resources within 90 days of the later of the date it has satisfactorily completed geological and legal due diligence and Poly Resources having completed a technical report containing an initial National Instrument 43-101 compliant mineral resource estimate on the Calida project that is acceptable to Millennia and its advisers, in return for additional shares of Poly Resources representing 15% of the then outstanding shares of Poly Resources (which would result in Millennia holding 56.52% of Poly Resource's common shares). Upon completion of the Second Private Placement, Millennia is to be granted share purchase warrants to acquire up to 1% of the CuMoCo's issued and outstanding shares at an exercise price equal to the closing price of the CuMoCo's common shares on the day after the date of the CuMoCo's news release announcing the execution of the Definitive Agreement. If closing of the Second Private Placement does not occur, the CuMoCo shall be entitled to purchase from Millennia the shares of Poly Resources issued to Millennia upon closing of the First Private Placement at a price equal to US$12,000,000.

Third Private Placement: Upon completion of the Second Private Placement, Millennia would have the right to directly invest, partner and/or arrange a further US$135,000,000 for Poly Resources within 360 days of the date of closing of the Second Private Placement in return for additional shares of Poly Resources representing 20% of the outstanding shares of Poly Resources (which would result in Millennia holding 63.77% of Poly Resource's common shares).

Under the MOU, Poly Resources is to commit to spending the following on the Calida project: (a) US$4,500,000 of the initial US$10,000,000 to be raised from the First Private Placement; (b) US$30,500,000 of the US$55,000,000 to be raised from the Second Private Placement; and (c) US$65,000,000 of the US$135,000,000 to be raised from the third private placement. Poly Resources is to advance the remainder of the gross proceeds from the private placements to Idaho CuMo (which holds the CuMo Project), and Poly Resource's payments to Idaho CuMo will be treated as subscription payments for Idaho CuMo shares. Upon Poly Resource's payment to Idaho CuMo of US$5,500,000 from the US$10,000,000 to be raised from the First Private Placement, Poly Resources would be issued shares of Idaho CuMo to cause Poly Resources to hold a 1.1% interest in Idaho CuMo. Upon Poly Resource's payment to Idaho CuMo of US$24,500,000 from the US$55,000,000 to be raised from the Second Private Placement, Poly Resources would be issued additional shares of Idaho CuMo to cause Poly Resources to acquire an additional 4.9% interest in Idaho CuMo, resulting in Poly Resources holding a 6% interest in Idaho CuMo. Upon Poly Resource's payment to Idaho CuMo of US$70,000,000 from the US$135,000,000 to be raised from the Third Private Placement, Poly Resources would be issued additional shares of Idaho CuMo to cause Poly Resources to acquire an additional 14% interest in Idaho CuMo, resulting in Poly Resources holding a 20% interest in Idaho CuMo.

Upon completion of the First Private Placement, Millennia is to be granted the right to nominate three of the six members of the board of directors of Poly Resources (with the Chairman of Poly Resources holding the casting vote). Upon completion of the Second Private Placement, Millennia is to be granted the right to nominate four of the six members of the board of directors of Poly Resources. Upon completion of the Third Private Placement, Millennia is to be granted the right to nominate one member of the board of directors of Idaho CuMo, as well as one member to the board of directors of the CuMoCo.

The MOU also provides that the parties will establish a management committee for the Calida Project, with Millennia obtaining control over such management committee upon completion of the Second Private Placement.

If and when a total of US$200,000,000 in private placement financing has been raised, Millennia is to facilitate the raising of additional capital of up to US$2,000,000,000 for the Company (subject to regulatory approval) at reasonable commercial terms for the further development and the commercial feasibility and operational establishment of the two Idaho projects. There are no other relationships between CuMoCo, its subsidiaries and Millennia and its partners.

In March 2017, Poly Resources received a US$1,000,000 advance from Acepac Holdings. The advance was made on behalf of Millennia, as per the terms of the MOU. The funds were to be held in escrow until a definitive agreement was signed, or the release of the funds was authorized. In return for the US$1,000,000, a 5% interest in Poly Resources was to be assigned to Millenia.

In April 2017, the Company announced that the initial US$500,000 of the US$1,000,000 advance had been released by Millennia for work on the Calida project. The remaining US$500,000 was released by Millennia in June of 2017. At that time, a 5% ownership interest in Poly Resources was set aside for Millennia. Millennia instructed the Company to issue the 5% ownership interest to Acepac Holdings to cover the US$1,000,000.

In January 2018, CuMoCo and its subsidiaries signed a Heads of Agreement with Millennia, with the parties agreeing to the following in order to maintain the original MOU:

(a) Millennia will make a US$2,500,000 contribution to Poly Resources to be apportioned to the Company as follows:

(i) US$500,000 to be transferred to CuMoCo, for the issue of shares at $0.10 per share in CuMoCo.

(ii) US$1,500,000 is to be utilized as further deposit to allow time for completion of the final due diligence period.

(iii) US$500,000 is to be held in Poly Resources' bank account as a loan from Millennia. All Parties acknowledge and agree that this deposit will be transferred to a lawyer's or bank approved escrow account at the absolute discretion of Millennia.

(b) The Company hereby warrants and represents that on the receipt of funds into the Poly Resources the following:

(i) Automatic issue of shares and warrants to Millennia as contemplated in Schedule 1 for Article 2.a.i.

(ii) To provide an exclusive six-week period to finalize the due diligence items referred to in Article 3 ("Due Diligence Period"). The period is to commence from February 1, 2018, after the completion of the visit of Millennia officers and technical advisor, and is an entitlement for the additional deposit as per Article 2a.ii. iii. The amount referred to in 2.a.iii. is to be used and directed at the absolute discretion of Millennia, but it is acknowledged that this is for the benefit and continuation of the funding requirements as anticipated under the MOU.

As of June 30, 2020, the Company had not received the first payment, per the terms of the heads of agreement.

As of June 30, 2020, the lawsuit filed by Acepac Holdings has undergone document discovery, with no trial date having been set.

CRITICAL ACCOUNTING ESTIMATES

The Company's significant accounting policies are summarized in Note 3 of its audited consolidated financial statements for the year ended June 30, 2020. The preparation of the consolidated financial statements in accordance with IFRS requires management to select accounting policies and make estimates and judgments that may have a significant impact on the consolidated financial statements.

The Company regularly reviews its estimates; however, actual amounts could differ from the estimates used and, accordingly, materially affect the results of operations.

Examples of significant estimates include:

- Carrying values of mineral right interests;
- Valuation of deferred income taxes and allowances;
- Assumptions used to assess impairment of mineral right interests and equipment;
- Valuation of share-based payments.

Examples of significant judgments, apart from those involving estimates, include:

- The accounting policies for mineral right interests and equipment;
- Classification of financial instruments;
- Determination of functional currency.

OPERATIONAL AND OTHER BUSINESS RISKS AND UNCERTAINTIES

The following risk factors, as well as risks not currently known to the Company, could materially adversely affect the Company's future business, operations and financial condition and could cause them to differ materially from the estimates described in the forward-looking statements and information contained herein. The risks set out below include those that are widespread and associated with any form of business and those that are specific risks associated with the Company's business and its involvement in the exploration and mining industry generally, and in the United States in particular. Shareholders and prospective investors should carefully consider, in light of their own financial circumstance, the factors set out herein.

Global financial conditions

Global financial conditions in recent years have been characterized by high levels of volatility. Access to financing has been negatively impacted by many factors as a result. This may impact the Company's ability to obtain financing in the future at all, or on reasonable terms. Additionally, global economic conditions may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses.

Fluctuation of Commodity Prices

The Company's exploration and other mining activities have previously been, and may in the future be, significantly adversely affected by declines in commodity prices. Commodity prices are volatile and are affected by numerous factors beyond the Company's control such as the sale or purchase of metals by various central banks and financial institutions, interest rates, exchange rates, inflation or deflation, fluctuation in the value of the United States dollar and foreign currencies, global and regional supply and demand, and the political and economic conditions of major mining countries throughout the world. Any future serious drop in commodity prices or sustained low commodity prices could adversely impact the Company's future revenues, profits and cash flows. In particular, sustained low, or further reductions in, commodity prices could:

- reduce or eliminate the Company's ability to finance the exploration of existing and future mineral projects;
- force the Company to lose its interest in, or to sell, all or some of its properties;
- halt or delay the development of existing or new projects; and
- reduce the value of the Company's securities.

Furthermore, declining or sustained low commodity prices could impact the Company's operations by requiring a reassessment of the feasibility of any existing or new projects. Even if the project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

Dependence on Third Party Financing

The Company has limited access to operational cash flow. As a result, the Company will continue to depend on third party financing to fund future working capital, capital expenditures, operating and exploration costs and other general corporate requirements. The success and the pricing of any such capital raising and/or debt financing will be dependent upon the prevailing market conditions at that time and upon the ability of a company without any significant projects already in production to attract significant amounts of debt and/or equity. There can be no assurance that such financing will be available to the Company or, if it is, that it will be offered on acceptable terms. Failure to obtain sufficient financing, as and when required, may result in a delay or indefinite postponement of exploration or development on any or all of the Company's properties.

Currency Risk

The Company maintains most of its working capital in Canadian dollars. The Company currently operates in the United States and Canada and its operating costs are incurred in a combination of United States dollars, or Canadian dollars. Accordingly, the Company is subject to fluctuations in the rates of currency exchange between these currencies. The Company has not hedged its exposure to currency fluctuations.

Economic and Political Instability in Foreign Jurisdictions

The Company currently operates in Canada and the United State. There are risks to conducting business in foreign countries. These risks may include, among others, invalidation of governmental orders and permits, uncertain political and economic environments, sovereign risk, war, civil disturbances, arbitrary changes in laws or policies, the failure of foreign parties to honour contractual relations, delays in obtaining or the inability to obtain necessary governmental permits, authorizations and consents, limitations on foreign ownership, limitations on the repatriation of earnings, limitations on exports, instability due to economic under-development, inadequate infrastructure and increased financing costs.

In addition, the enforcement by the Company of its legal rights to exploit its properties may not be recognized by any foreign government or by the court system of a foreign country. These risks may limit or disrupt the Company's operations, restrict the movement of funds or result in the deprivation of mining related rights or the taking of property by nationalization or expropriation without fair compensation.

Mineral Exploration

Mineral resource exploration is highly speculative, involves substantial expenditures, and is frequently unsuccessful. Few prospects that are explored are ultimately developed into producing mines. To the extent that the Company continues to be involved in exploration, the long-term success of its operations will be related to the cost and success of its exploration programs. There can be no assurance that the Company's exploration efforts will be successful.

The success of exploration is determined in part on the following factors:

- the identification of potential mineralization based on superficial analysis;
- availability of prospective land;
- availability of government-granted exploration and exploitation permits;
- the quality of management and geological and technical expertise; and
- the capital available for exploration and development.

Substantial expenditures are required to determine if a project has economically mineable mineralization. It could take several years to establish proven and probable mineral reserves and to develop and construct mining and processing facilities. As a result of these uncertainties, there can be no assurance that current and future exploration programs will result in the discovery of mineral reserves and the development of mines.

Dilution

The Company does not generate any revenues from production and does not have sufficient financial resources to undertake by itself all its planned exploration programs. The Company has limited financial resources and has financed its operations primarily through the sale of securities such as common shares. The Company will need to continue its reliance on the sale of such securities for future financing, resulting in dilution to the Company's existing shareholders. The amount of additional funds required will depend largely on the success of the Company's exploration programs.

Further exploration programs will depend on the Company's ability to obtain additional financing which may not be available under favorable terms, if at all. If adequate financing is not available, the Company may not be able to commence or continue with its exploration programs or to meet minimum expenditure requirements to prevent the full or partial loss of its mineral right interests. Also, failure to meet the Company's share of costs incurred under joint venture arrangements to which it may be a party may result in a reduction of its interests in mineral right interests. Furthermore, if other parties to such agreements do not meet their share of such costs, the Company may be unable to finance the cost required to complete the recommended programs.

Resource Estimates

The mineral resource estimates presented herein are made by Company personnel and independent geologists. These estimates are imprecise and depend upon geological interpretation and statistical inferences drawn from drilling and sampling analysis, which may prove to be unreliable. There can be no assurance estimates will be accurate. The inclusion of mineral resource estimates should not be regarded as a representation that these amounts can be economically exploited and no assurances can be given that such resource estimates will be converted into reserves. Different experts may provide different interpretations of resource estimates.

Operating Hazards and Other Uncertainties

The Company's business operations are subject to risks and hazards inherent in the mining industry. The exploration for and the development of mineral deposits involves significant risks, including:

- environmental hazards;
- discharge of pollutants or hazardous chemicals;
- industrial accidents;
- labour disputes and shortages;
- supply and shipping problems and delays;
- shortage of equipment and contractor availability;
- unusual or unexpected geological or operating conditions;
- fire;
- changes in the regulatory environment; and
- natural phenomena such as inclement weather conditions, floods and earthquakes.

These or other occurrences could result in damage to, or destruction of, mineral properties, personal injury or death, environmental damage, delays in mining, monetary losses and possible legal liability. The Company could also incur liabilities as a result of pollution and other casualties all of which could be very costly and could have a material adverse effect on the Company's financial position and results of operations.

Limitations on the Transfer of Cash or Other Assets

The Company is a Canadian company that conducts operations through subsidiaries in the United States, and substantially all of the Company's assets consist of equity in these entities. Accordingly, any limitation on the transfer of cash or other assets between the Company and these entities, or among these entities, could restrict the Company's ability to fund its operations efficiently.

Permitting Requirements

Mining exploration and operations require many permits from federal, state and local governments. These permits may not be issued on a timely basis or at all, and such permits, when issued, may be subject to requirements or conditions with which it is burdensome or expensive to comply. Furthermore, there is no assurance that delays will not occur in connection with obtaining all necessary renewals of existing permits, additional permits for any possible future changes to operations, or additional permits associated with new legislation.

Government Regulation

Mineral businesses are subject to regulation and intervention by governments in such matters as the imposition of specific exploration, drilling and development obligations; environmental protection controls and control over the development and abandonment of resource (including restrictions on production). As well, governments may regulate or intervene with respect to prices, taxes, royalties and the exportation of commodities. Such regulation may be changed from time to time in response to economic or political conditions. The implementation of new regulations or the modification of existing regulations affecting the minerals industries could reduce demand for commodities produced, increase the Company's operating costs and have a material adverse impact on the Company.

Environmental Risks

All phases of the Company's operations are subject to environmental regulation in the various jurisdictions in which it operates. There is no assurance that the Company will have or be able to obtain all necessary environmental approvals, licenses, permits or consents or be in compliance therewith or that notwithstanding its precautions, breaches of environmental laws (whether inadvertent or not) will not occur. The lack of or inability to obtain any such approvals, licenses, permits or consents or any breaches of environmental laws, may result in penalties including fines or other sanctions, breach of the conditions of a mining concession or other consent or permit with possible revocation of the concession, consent or permit. In this regard, environmental hazards may exist on the properties in which the Company has an interest which are unknown to the Company at present and which have been caused by previous or existing owners or operators of the properties.

Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations, or its ability to develop its properties economically.

Litigation Risks

All industries, including the mining industry, are subject to legal claims, with and without merit. Defense and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding could have a material adverse effect on the Company's financial position and results of operations.

Competition

The Company faces strong competition from other mining companies in connection with the acquisition of properties producing, or capable of producing, precious or base metals. The majority of these companies have greater financial resources, operational experience and technical capabilities. As a result, there can be no assurance that the Company will be able to compete successfully against other companies in acquiring new prospecting, development or mining rights.

Title Matters

The Company periodically confirms the validity of its title to, or contract rights with respect to, each mineral property in which it has a material interest. However, the Company cannot guarantee that title to its properties will not be challenged. The Company's mineral properties could be subject to prior unregistered agreements, transfers or claims, and title could be affected by, among other things, undetected defects. In addition, the Company might be unable to operate its properties as permitted or to enforce its rights with respect thereto.

Community Relations and Social License

Advancing a mineral deposit to commercial production involves the understanding of local communities. "Social license" is a broad term used to describe community acceptance of a proposed development project, a condition that is commonly required for the issuance of final permits and project financing. The Company believes that communities should benefit from mining projects, from the exploration stage through mine operation and closure. While there cannot be guarantees that local communities will want a mine in the area where the Company's core project is located, the Company will work towards implementing a strategy it considers appropriate to accomplish this.

Insurance Coverage Could Be Insufficient

While the Company maintains certain insurance to protect against certain risks, the nature of these risks is such that liability could exceed policy limits or could be excluded from coverage. There are also risks against which the Company cannot insure or against which it may elect not to insure. Losses from these events may cause substantial delays and require significant capital outlays, adversely affecting future financial performance and results of operations.

Dependence on Key Personnel

The Company is dependent on a relatively small number of key personnel, the loss of any of whom could have an adverse effect on the operations of the Company. The Company's success is dependent to a great degree on its ability to attract and retain qualified management personnel. The loss of such key personnel, through incapacity or otherwise, would require the Company to seek and retain other qualified personnel and could compromise the pace and success of its exploration activities. The Company does not maintain key person insurance in the event of a loss of any such key personnel. Also, certain management personnel of the Company are officers and/or directors of other publicly-traded companies and will only devote part of their time to the Company.

Additionally, the Company has relied on and is expected to continue relying upon consultants and others for exploration expertise. In the event a commercial ore deposit is discovered on any of the Company's right interests, the Company will likely require the expertise of such consultants and others for the development and operation of a producing mine.

Conflicts of Interest

Certain of the directors and officers of the Company are directors or officers of other mineral resource companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the directors of the Company, a director who has such a conflict will abstain from voting for or against the approval of such matter. Furthermore, in appropriate cases the Company will establish a special committee of independent directors to review a matter in which several directors, or management, may have a conflict.

Covid 19 Restrictions

At the current time, Canadian management is unable to visit the property due to the shutdown of the border. Idaho has re-opened for business and the consultants that the Company hires are starting to become available. Access to the property by USA personnel is not restricted. The only significant effect on the Company is that the work by the US Forest Service on the permitting has slowed down as the government went into a shutdown mode and is only starting to return to work. The Company has already taken these delays into account in its planning, as the permit wasn't expected to be complete until later this year meaning any drilling would occur in 2021, so the effects are expected to be minimal.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Except for statements of historical fact relating to the Company, certain statements in this MD&A may constitute forward-looking information, future oriented financial information, or financial outlooks (collectively, "forward-looking information") within the meaning of Canadian securities laws. Forward-looking information may relate to this MD&A, the Company's future outlook and anticipated events or results and, in some cases, can be identified by terminology such as "may", "could", "should", "expect", "plan", "anticipate", "believe", "intend", "estimate", "projects", "predict", "potential", "targeted", "possible", "continue" or other similar expressions concerning matters that are not historical facts and include, but are not limited in any manner to, the Company's opportunities, strategies, competition, expected activities and expenditures as the Company pursues its business plan, the adequacy of the Company's available cash resources and other statements about future events or results and those with respect to commodity prices, mineral resources, mineral reserves, realization of mineral reserves, existence or realization of mineral resource estimates, the timing and amount of future production, the timing of construction of any proposed mine and process facilities, capital and operating expenditures, the timing of receipt of permits, rights and authorizations, and any and all other timing, development, operational, financial, economic, legal, regulatory and political factors that may influence future events or conditions, as such matters may be applicable.

In particular, this MD&A may contain forward-looking statements pertaining to the following:

- Proposed work programs and expenditures for exploration work, and general and administrative expenses.

See "Description of the Business" and "Use of Proceeds" for further details; and the ability to raise further capital for corporate purposes and the utilization of those future net proceeds.

The material factors and assumptions used to develop the forward-looking information are derived from the previous company history including past exploration budgets, costs, expenditures and experience of 15 years working on the CUMO project.

Such forward-looking statements are based on a number of material factors and assumptions, including, but not limited in any manner to, those disclosed elsewhere herein and any other of the Company's concurrent public filings, and include the availability and final receipt of required approvals, licenses and permits, sufficient working capital to conduct future exploration activities, access to adequate services and supplies, economic conditions, commodity prices, foreign currency exchange rates, interest rates, access to capital and debt markets and associated costs of funds, availability of a qualified work force, that exploration timetables and capital costs for the Company's exploration plans are not incorrectly estimated or affected by unforeseen circumstances or adverse weather conditions, that any environmental and other proceedings or disputes are satisfactorily resolved, and that the Company maintains its ongoing relations with its business partners and governmental authorities. While the Company considers these material factors and assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. Actual results may vary from such forward-looking information for a variety of reasons, including but not limited to risks and uncertainties disclosed in this MD & A. See "Operational and Other Business Risks and Uncertainties". Forward-looking information involves known and unknown risks, uncertainties and other factors which 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 information. Such factors include, among others, that the Company has a limited operating history, resource exploration and development is a speculative business, the Company may lose or abandon its interest in the Property, the Property is in the exploration stage and is without known bodies of commercial ore, the Company may not be able to obtain all necessary permits and approvals that may be required to undertake exploration activity or commence construction or operation of mine facilities on any of its properties, environmental laws and regulations may become more onerous, the Company's ability to raise additional funds by equity financing and the fluctuating price of metals, as well as the other factors discussed in the section of this M&A entitled "Operational and Other Business Risks and Uncertainties ".

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements.

Forward-looking statements are based upon management's beliefs, estimates and opinions on the date the statements are made and, other than as required by law, the Company does not intend, and undertakes no obligation to, update any forward-looking information to reflect, among other things, new information or future events.

For the reasons set forth above, investors should not place undue reliance on forward looking statements.

This MD&A may include cautionary statements, including those stated under the heading "Operational and Other Business Risks and Uncertainties". The Reader should read these cautionary statements as being applicable to all related forward-looking statements wherever they appear in this MD&A.

OTHER MD&A REQUIREMENTS

As of October 28, 2020, the Company had 178,987,155 common shares outstanding, 10,675,000 share options outstanding, with exercise prices ranging from $0.15 to $0.30 per share, and 48,743,225 warrants outstanding, with exercise prices ranging from 0.075 to 0.15 per share. Additional information is available on SEDAR at www.sedar.com and on the Company's website www.cumoco.com.