



MILLENNIAL
PRECIOUS METALS

(formerly Millennial Silver Corp.)

Management's Discussion & Analysis

For the three- and six-month periods ended June 30, 2021 and 2020

Dated August 18, 2021

Management's Discussion and Analysis

For the three- and six-month period ended June 30, 2021

(in Canadian dollars unless otherwise noted)



Forward-Looking Statements

This Management's Discussion and Analysis ("**MD&A**") contains certain statements that may be deemed "forward-looking statements," within the meaning of certain securities laws. Forward-looking statements relate to management's expectations or beliefs about future performance, events, or circumstances that include, but are not limited to, reserve or resource potential, exploration and operational activities, and events or developments that the Company expects or targets. Forward-looking statements can usually be identified by words such as: "future", "plans", "scheduled", "expects", "intends", "estimates", "forecasts", "will", "may", "could", "would", and variations thereof. Although the Company believes that these statements are based on reasonable assumptions, all forward-looking statements involve known and unknown risks and uncertainties that may cause the actual performance, events, or circumstances of the Company to be materially different than anticipated. The forward-looking information in this MD&A describes the Company's expectations as of the date of this MD&A.

The results or events anticipated or predicted in such forward-looking information may differ materially from actual results or events. The Company and its operations are also subject to a large number of risks, including: the Company's liquidity and financing capability, fluctuations in gold prices, market conditions, results of current exploration activities, the possibility of a labor stoppage or shortage, delays in obtaining government permits and approvals and such other risks as discussed herein and in other publicly filed disclosure documents. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in such forward-looking statements, there may be other factors that cause performance, events, or circumstances to differ materially from those described in forward-looking statements. There can be no assurance that forward-looking statements will prove to be accurate. Accordingly, readers should not try to place undue reliance on forward-looking statements contained in this MD&A.

The Company cautions that the foregoing list of material factors is not exhaustive. When relying on the Company's forward-looking information to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. The Company has assumed a certain progression, which may not be realized. It has also assumed that the material factors referred to in the previous paragraph will not cause such forward-looking information to differ materially from actual results or events. However, the list of these factors is not exhaustive and is subject to change and there can be no assurance that such assumptions will reflect the actual outcome of such items or factors.

Forward-looking statements are based on management's current plans, estimates, projections, beliefs, and opinions and Millennial does not undertake any obligation to update forward-looking statements should the assumptions related to these plans, estimates, projections, beliefs and opinions change, except as required by law.

The following management's discussion and analysis ("**MD&A**") is management's assessment of the results and financial condition of The Company and should be read in conjunction with the condensed interim consolidated financial statements for the six months ended June 30, 2021 ("**Q2 2021**"), which have been prepared in accordance with International Financial Reporting Standards ("**IFRS**"). All dollar amounts are in Canadian dollars, unless otherwise noted. The date of this MD&A is August 18, 2021. The Company's common shares trade on the Venture Toronto Stock Exchange ("**TSXV**") under the symbol "**MPM**". Its most recent filings, including the Company's Annual Information Form ("**AIF**") for the fiscal year ended December 31, 2020 are available under the Company's profile on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") www.sedar.com.

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Qualified Person

The technical information contained in this MD&A has been approved by Leonardo de Souza (BSc, AusIMM (CP) Membership 224827), who is a “qualified person” within the meaning of National Instrument 43-101, Standards of Disclosure for Mineral Projects.

Outlook and Strategy, Recent Developments, Exploration Properties,

OUTLOOK AND STRATEGY

Millennial is focused on discovering quality ounces and expanding and converting its existing resource base within its seven projects, all of which are located in Nevada. Millennial will use its systematic scientific and phase-based exploration program to advance all of its projects over the next few years. Phase 1 and 2 for Wildcat and Mountain View will be focused on resource expansion and conversion, geotechnical holes and metallurgical work on both the oxides and sulfides. Mountain View will be allocated 9,000 meters of drilling and Wildcat will be allocated 8,000 meters. These targeted exploration programs will feed the updated resource estimate in 2Q22, which will be the base resource for the PEA, expected to be released in 3Q22. The 2021 exploration budget for both projects is approximately US\$4,000,000. Immediately de-risking Wildcat and Mountain View is fundamental to the company's longer term business plan, of building a low-capex, low-cost heap leach operation. The Phase 1 exploration program for Red Canyon will be focused on identifying the ore controls and gaining a better understanding of the local geology along known mineral zones, and will have a budget of US\$1,300,000,000. If Phase 1 is successful, the Company will increase the drill program to understand the geometry and size potential of the target which would then bring Red Canyon to resource stage. Besides the initial drill target at the Heavenly Zone, Red Canyon also has 9 other drill ready targets to be tested once the Company receives a Plan of Operations Permit. The Phase 1 program was completed as of June 30, 2021. For the early-stage Ocelot, Eden, Dune, and Marr Au/Ag projects, Millennial will focus on land expansion and data compilation.

RECENT DEVELOPMENTS

Financing

Subscription Receipts:

On February 11, 2021, the Company completed a financing of 48,000,000 subscription receipts at a price of \$0.50 per subscription receipt for gross proceeds of \$24,000,000. The brokered financing includes 6% of broker commission, excluding proceeds falling under the Presidents List at 3% commission, as well as 6% broker warrants. Each broker warrant entitles the holder to acquire a common share of the Company at a price of \$0.50 for a period of 24 months from April 28, 2021.

The subscription receipts financing was closed on February 11, 2021, and the net cash proceeds from the sale of the subscription receipts were held by an escrow agent, in a restricted account, until closing of the Acquisition on April 28, 2021.

Each subscription receipt was converted into one Millennial Precious Metals share immediately prior to the closing of the Acquisition.

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Previous Financings:

On September 15, 2020, September 18, 2020 and September 25, 2020, the Company completed a \$300,000 private placement financing of common shares and issued 6,000,000 common shares at an issue price of \$0.05 per common share for gross proceeds of \$300,000.

On September 29, 2020, the Company completed a \$945,000 private placement financing of common shares and issued 9,450,000 common shares at an issue price of \$0.10 per common share for gross proceeds of \$945,000.

On October 1, 2020, October 7, 2020, and October 28, 2020, the Company completed a \$1,490,000 private placement financing of common shares and issued 14,900,000 common shares at an issue price of \$0.10 per common share for gross proceeds of \$1,490,000.

On November 20, 2020, the Company completed a \$7,050,530 private placement financing of common shares and issued 23,501,765 common shares at an issue price of \$0.30 per common share for gross proceeds of \$7,050,530. The Company incurred \$235,000 in cash commission.

Settlement of debt

On November 17, 2020, the Company issued 1,883,333 common shares at a fair value of \$565,000 (\$0.30 per share), to officers, directors and consultants of the Company as settlement for outstanding fees owed totaling \$560,427. The Company recorded a loss of \$4,573 on the settlement of this debt.

Mineral Properties

The exploration and evaluation expenses for the Company are summarized as follows:

Six months ended June 30,	2021	2020
Waterton		
Wildcat	\$ 10,253,783	\$ -
Mountain View	2,923,053	-
Ocelot	3,202,066	-
Marr	2,026,046	-
Dune	784,276	-
Eden	784,276	-
Red Canyon		
Red Canyon	3,407,429	-
Cerro Colorado		
Cerro Colorado	96,724	-
Exploration and evaluation expenditures	\$ 23,477,653	\$ -

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The exploration and evaluation expenses for the Company by expenditure classification is summarized as follows:

Six months ended June 30,	2021	2020
Mineral Property Acquisition cost ¹	\$ 21,199,580	\$ -
Assays	57,756	-
Consulting and wages	430,512	-
Drilling	1,424,432	-
Field supplies	295,224	-
Travel and other	27,102	-
Equipment rental	43,047	-
Exploration and evaluation expenditures	\$ 23,477,653	\$ -

Red Canyon Agreement:

On October 30, 2020, the Company entered into a definitive agreement with Red Canyon Corporation (“**Red Canyon**”), pursuant to which Millennial leased 254 unpatented lode mining claims located in Eureka County, Nevada (the “**Red Canyon Property**”) from Red Canyon and will have the sole and exclusive right to acquire a 100% undivided legal and beneficial interest in the Red Canyon Property.

Under the terms of the definitive agreement, the Company will have an option to acquire a 100% undivided interest in the Red Canyon Property by completing the following:

- Paying advance cash payments of US\$275,000 (the “**Advance Payments**”), payable as follows:
 - US\$25,000 due on signing of a definitive agreement (“**Effective Date**”) (paid);
 - US\$25,000 due on or prior to 6 months from the Effective Date (paid);
 - US\$50,000 due on or prior to the first anniversary from the Effective Date;
 - US\$75,000 due on or prior to the second anniversary from the Effective Date; and
 - US\$100,000 due on or prior to the third anniversary from the Effective Date.
- Reimbursing US\$44,970 due for federal annual mining claim maintenance fee reimbursement (paid).
- On or before the 4th anniversary of the Effective Date, Millennial shall pay Red Canyon US\$2,000,000 less the aggregate amount of the Advance Payments paid by Millennial.
- Issuing common shares to Red Canyon as follows:
 - On or prior to the completion of Millennial’s going public transaction by way of reverse take-over (“**RTO**”), issuing an amount of common shares to ensure Red Canyon owns 2% of the outstanding common shares immediately following completion of the RTO (issued);
 - 1,000,000 common shares on or prior to the first anniversary of the Effective Date;
 - 1,000,000 common shares on or prior to the second anniversary of the Effective Date; and
 - 1,000,000 common shares on or prior to the third anniversary of the Effective Date.
- Spending an aggregate of US\$1,500,000 in exploration expenditures, as follows:
 - US\$500,000 on or prior to the second anniversary of the Effective Date;
 - US\$500,000 on or prior to the third anniversary of the Effective Date; and
 - US\$500,000 on or prior to the fourth anniversary of the Effective Date.

¹ Value of the shares issued of \$14,825,000 and \$6,374,580 paid in cash.

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- Granting Red Canyon a 2% net smelter return royalty ("**NSR**") subject to the Company retaining an option to acquire 1% of the NSR for a cash payment of US\$1,500,000 for a period of two years following the royalty grant.

Cerro Colorado Agreement:

On March 17, 2021, the Company entered into a letter of intent with Tri Minerals Holding Corp ("**Tri Minerals**"), pursuant to which Tri Minerals will enter into a lease and option agreement with Millennial and grant Millennial the sole and exclusive right to acquire from Tri Minerals a 100% undivided legal and beneficial interest in and to the Silver Hill, Mina del Tajo-west, La Colorada, Nuevo Colorado, Waterman, and Cyanide projects situated in the Cerro Colorado Mining District in Arizona (the "**Properties**").

Pursuant to the terms of the agreement, Tri Minerals will lease the Properties to Millennial for a period of up to four (4) years and grant Millennial the sole and exclusive right to acquire a 100% undivided legal and beneficial interest in and to the Properties, free and clear of all charges, encumbrances and claims (the "**Option**"), subject to the following terms and conditions:

- US\$25,000 on the date that the LOI is executed by the Parties. The date that the Definitive Agreement is executed shall be the ("**Effective Date**");
- US\$25,000 on or prior to the earlier of (i) the date that initial operations permits are received in respect of any of the Properties and (ii) the date that is six months after the Effective Date;
- US\$50,000 on or prior to the 1st anniversary of the Effective Date; and
- US\$200,000 on or before the 2nd anniversary of the Effective Date (collectively the "**Lease Payments**").

Lease Extension Payment: On or before the 3rd anniversary of the Effective Date, Millennial may extend the Lease for a period of one (1) year by making a payment of US\$200,000 to Tri Minerals.

Option Exercise Payment: On or before the termination of the Lease, but no later than the 4th anniversary of the Effective Date, Millennial may exercise the Option, and in such event, shall pay Tri Minerals US\$2,500,000, less the aggregate amount of Lease Payments paid by Millennial to Tri Minerals.

Production Royalty: Following the exercise of the Option and the acquisition by Millennial of a 100% undivided legal and beneficial interest in and to the Properties, Millennial shall grant to Tri Minerals a 1.0% net smelter returns royalty on production from the Properties (the "**Royalty**"). For a period of five (5) years from the date the Option is executed and the Royalty is granted, Millennial shall have the option to buy back the Royalty for a payment US\$1,500,000.

Work Commitment: During the Term and provided all necessary State of Arizona (ASLD), Bureau of Land Management (BLM) approvals, as appropriate, for exploration activities (including drilling) on the Properties have been obtained, Millennial shall conduct exploration activities in accordance with all permit requirements and the exploration plan set out in Appendix B and shall incur exploration expenditures on the Properties as follows:

- A minimum of US\$500,000 in exploration expenditures on or prior to the second anniversary of the Effective Date;
- A minimum of US\$500,000 in exploration expenditures on or prior to the third anniversary of the Effective Date; and
- A minimum of US\$500,000 in exploration expenditures on or prior to the fourth anniversary of the Effective Date.

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Waterton Agreement:

On September 14, 2020, the Company entered into a letter of intent with Clover Nevada LLC ("**Waterton**") to enter into a definitive agreement, pursuant to which Millennial will acquire Waterton's interest in the Mountain View, Wildcat, Marr, Ocelot, Eden and Dune properties located in Nevada (the "**Nevada Properties**"). The consideration terms of the definitive agreement are as follows:

- Payment by Millennial of cash consideration totaling US\$10,000,000, payable as follows:
 - US\$5,000,000 due on completion of the acquisitions of the Nevada Properties ("**Effective Date**") (paid);
 - US\$2,500,000 upon the earlier of (A) announcement of a maiden NI 43-101 compliant mineral resource prepared by Millennial at any of the Nevada Properties, and (B) the date that is twelve (12) calendar months following the date that the material approvals for exploration drilling activities on the first of the Nevada Properties to be drilled have been obtained; and
 - US\$2,500,000 upon the earlier of (A) completion of a Preliminary Economic Assessment as defined by NI 43-101 at any of the Nevada Properties, and (B) the date that is twenty-four (24) calendar months following the date that the material approvals for exploration drilling activities on the first of the Nevada Properties to be drilled have been obtained.
- Share and warrant consideration as follows:
 - Millennial will issue to Waterton the greater of (i) an amount of common shares of Millennial ("**Shares**") representing a 19.9% equity interest in the outstanding Shares on a basic basis, post completion of the RTO (issued), and (ii) an amount of Shares representing an indicative value of \$9,000,000.
- Millennial issued to Waterton a 2.0% NSR royalty on production from the Marr, Ocelot, Eden and Dune properties. Millennial shall have an option at any time to buy down one-half of each royalty at a cost of US\$1,500,000 per property, thereby reducing the royalty to a 1.0% NSR royalty per property. Millennial will also issue a 0.5% NSR royalty on gold production from the Mountain View and Wildcat properties.

Reverse Take Over Transaction:

On April 28, 2021, the Company completed the announced series of transactions with Millennial Precious Metals Corp. (formerly 1246768 B.C. Ltd.) ("**Millennial Precious**") and Clover Nevada LLC ("**Waterton**"), including a reverse take-over and acquisition ("**Acquisition**") by Millennial Precious of all of the issued outstanding shares of the Company, resulting in Millennial Precious indirectly acquiring Waterton's interest in each of the Wildcat Property, the Mountain View Property, the Marr Property, the Ocelot Property, the Eden Property and the Dune Property located in Nevada and also a lease and option to purchase the Red Canyon Property also located in Nevada. The transactions were effected through an asset purchase agreement dated December 11, 2020 between Millennial Precious (as successor to 1246768 B.C. Ltd. ("**768**")), the Company and Waterton and an amalgamation agreement dated December 11, 2020 between the Company and 768. The common shares of Millennial Precious began trading on the TSX Venture Exchange on May 5, 2021 under the symbol "MPM".

Pursuant to the Acquisition, each share of Millennial was exchanged for one share of Millennial Precious. Millennial Precious consolidated its share capital on a 1.5:1 basis prior to closing of the transaction so that the holders of Millennial Precious shares received 1,999,999 shares of the resulting issuer following completion of the Acquisition.

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PROPERTIES

Wildcat Property

The Wildcat Property is located within the Seven Troughs mining district in Nevada, 56 km north of the town of Lovelock within Pershing County. The property can be accessed by a year-round road from Lovelock via State Route 48. The 10,643-acre land package consists of 516 unpatented claims and 4 patented claims. The claims are federally owned lands administered by the U.S. Bureau of Land Management (BLM). The mineralization at Wildcat consists of a gold-dominated, low sulfidation, epithermal vein system with disseminated oxide and sulphide mineralization hosted in volcanic and intrusive rocks. The Inferred Mineral Resource estimate at Wildcat contains 776,000 ounces of Au oxide (60.8 million tonnes at 0.40 g/t gold; effective date of November 18, 2020). A technical report for the Wildcat Project is available on Millennial's issuer profile on SEDAR at www.sedar.com.

Mountain View Property

The Mountain View Property is located within the Deep Hole mining district in Nevada, 24 km from the town of Gerlach within Washoe County. The property can be accessed by a year-round road via State road 447 followed by 2km of gravel road. The 3,169-acre land package consists of 154 unpatented claims. The claims are located on federally owned lands administered by the U.S. Bureau of Land Management (BLM). The gold-dominated mineralization at Mountain View consists of low sulfidation epithermal veins and disseminated oxide and sulphide mineralization hosted in Cenozoic volcanic rocks. Mountain View has an inferred mineral resource estimate that contains 427,000 ounces of Au (oxide) (23.2 million tonnes at 0.57 g/t gold; effective date of November 15, 2020). A technical report of the Mountain View Project is available on Millennial's issuer profile on SEDAR at www.sedar.com.

Ocelot Property

The Zeno (Ocelot) Property is located within the Toiyabe Range in Nevada, 57 km southwest from the world class Pipeline deposit. The 3,718-acre land package consists of 180 unpatented claims. The claims are on federally owned lands administered by the U.S. Bureau of Land Management (BLM). Mineralization at Ocelot is a low sulfidation epithermal Au/Ag system, hosted by the Valmy Formation and in volcano-sedimentary units that overlies quartzites of the local basement. The target area displays broad zones of alteration including argilization and silicification. The observed boiling textures, anomalous Au and pathfinder elements from reported data are characteristic of high-levels of epithermal systems. Historical mapping reports broad zones of silicification and sinter on the property with assays up to 200 ppb gold. Historical shallow drilling reported intersections up to 0.01 opt gold associated to micro breccia veinlets were present.

Marr Property

The Marr Property is located within the Toiyabe Range in Nevada, 60 km southwest from the Pipeline deposit. The 1860 acres land package consists of 93 unpatented claims. The claims are on federally owned lands administered by the U.S. Bureau of Land Management (BLM). Mineralization at Marr is believed to be a low sulfidation, epithermal Au/Ag system. The target area is covered, with historical drilling reporting zones of broad argillic alteration and high-level exposures of a low-sulphidation system, as characterized by chalcedony and opaline veining with sinter terraces. Anomalous Au and pathfinder elements in high-level quartz-chalcedony veins with boiling textures are common.

Eden Property

The Eden Property is located on the northwestern side of the East Range in Western Nevada Rift, 22 km southwest of the town Winnemucca within the Pershing and Humboldt Counties and along the Sleeper-Sandman trend. The 1,405-acre land package consists of 68 unpatented claims. The claims are on federally

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owned lands administered by the U.S. Bureau of Land Management (BLM). The property can be accessed by a frontage road along Interstate 80. Mineralization at Eden is representative of a low sulfidation epithermal Au/Ag system. The target concept is a low sulfidation gold system hosted in permeable Cenozoic volcanic and sedimentary rocks within the east range of the western Nevada rift. Local geology and mineralization consist of Cenozoic volcano-sedimentary packages cut by basaltic dikes and quartz veins along through-going "plumbing structures". A large part of the property is covered by quaternary gravels.

Dune Property

The Dune Property is located on the northwestern side of the east range in the western Nevada rift, 13 km southwest of the Town of Winnemucca within Pershing and Humboldt Counties and along the Sleeper-Sandman trend. The property can be accessed via the Jungo Mine road west out of Winnemucca and then by unimproved road approximately 2 miles to the south. The 744-acre land package consists of 36 unpatented claims. The claims are on federally owned lands administered by the U.S. Bureau of Land Management (BLM). Mineralization at Dune is of low sulfidation, epithermal Au/Ag typical of significant economic Au-Ag deposits in this region of Nevada. The target concept is a structurally and stratigraphically controlled, low sulfidation gold system hosted by permeable Cenozoic volcanic and sedimentary rocks.

Red Canyon Property

The Red Canyon Property is located within the Cortez/Tonkin mining district in Nevada, 75km northwest of Eureka. The property can be accessed from the town of Eureka via US Highway 50 west for 20km to the Monitor Valley Road. This road is then followed north for approximately 50 kilometers to the intersection with the Tonkins Spring access road. Local roads and dirt tracks lead south and east to the main areas of interest on the Red Canyon Property. The 7,190-acre land package consists of 348 unpatented claims. The claims are federally owned lands administered by the U.S. Bureau of Land Management (BLM). Gold mineralization at Red Canyon is sediment hosted, Carlin-style, including deeply oxidized bodies overlying sulfide mineralization. In 2021, Millennial expects to allocate US\$1,300,000 to follow up known mineralization with drilling to define gold grade and understand the geology and primary controls on mineralization. Upon completion and if successful, Phase 2 drilling will advance the geologic understanding and extents of mineralization at the Heavenly target. In addition, some drilling will be completed to test various drill targets within the mineral claims.

Drilling Update

The initial drill program at Red Canyon consisted of 11 DDH holes totaling 1,583 meters in the Heavenly target zone. The drill program was later increased to 2,500m of drilling in a minimum of 12 planned drill holes at the Heavenly target zone. The Heavenly zone is one of 10 primary target zones across 6 square km of outcropping alteration in Devonian-age sedimentary rocks. The Heavenly target consists of structurally controlled, oxidized, Carlin-style mineralization (jasperoid- and clay-altered sedimentary rocks). Millennial plans to drill and test all 10 target zones in the coming years.

The objective of the first round of drill holes is to establish grade continuity and geometry, and to increase confidence in the geological model of known mineralization at the Heavenly target. Compiled with historical data, the drill program is expected to expand the footprint of oxidized mineralization within the Heavenly target, which is associated with secondary east-northeast striking normal faults oblique to large north-northwest striking structures that cross the property. These mineralized fault zones display tabular geometries with dimensions up to 200m wide over a strike length of at least 800m, and display 200m vertical extent, although the exact extent remains unknown at this time.

As of June 30, 2021, Phase one drilling at Red Canyon is complete, with assay values returned for 10 of 12 holes. Millennial is currently awaiting assay results for the last two holes. Phase two drilling, designed to further define mineralization at the Heavenly target, will be based on geological models compiled from

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historical and recent drilling, current field mapping, and structural interpretations.

Summarized Financial Results

RESULTS OF OPERATIONS

For the three- and six-month period ended June 30, 2021, net loss amounted to \$25,883,701 and \$27,520,820, respectively, compared to a net loss of \$nil and \$nil respectively for the three- and six-month period ended June 30, 2020. The Company was dormant during the prior period. During the current year, the Company primarily incurred consulting and professional fees to bring together the land package described above which was acquired during the six-month period ended June 30, 2021, as well as exploration and evaluation expenditures on the acquired properties.

Expenses

For the three-month period ended June 30, 2021 and 2020:

Expenses of \$24,333,863 for the three month period ended June 30, 2021 increased in comparison to expenses of \$nil for the three month period ended June 30, 2020. The Company was dormant during the prior period. During the current year, the Company primarily incurred consulting and professional fees to bring together the land package described above which was acquired during the six month period ended June 30, 2021, as well as exploration and evaluation expenditures on the acquired properties.

- Exploration and evaluation expenditures increased to \$23,019,920 for the three month period ended June 30, 2021 from \$nil for the three month period ended June 30, 2020. The increase is due primarily to acquisition costs, amounting to \$21,199,580 (2020 - \$nil), consisting of 29,650,000 shares (2020 - nil), issued with a value of \$14,825,000 (2020 - \$nil), as well as cash acquisition costs and claim staking amounting to \$6,374,580 (2020 - \$nil). The Company also incurred drilling costs, consulting and wages and field work as it conducted its exploration campaign during the period.
- Consulting fees increased from \$nil for the three month period ended June 30, 2020 to \$227,063 for the three month period ended June 30, 2021. The increase is due to consulting fees relating to corporate management and operations.
- Share-based payments increased from \$nil for the three month period ended June 30, 2020 to \$431,000 for the three month period ended June 30, 2021. The increase is due to 2,003,000 (2020 - nil) restricted share units and 3,477,000 (2020 - nil) options issued during the three month period ended June 30, 2021.
- Professional fees increased to \$168,724 for the three month period ended June 30, 2021 from \$nil for the three month period ended June 30, 2020. The increase is due to legal fees to draft various agreements and consulting contracts, as well as accounting and audit fees.
- Shareholder information costs increased from \$nil for the three month period ended June 30, 2020 to \$203,874 for the three month period ended June 30, 2021. The increase is mainly due to investor relations costs and TSX Venture Exchange fees incurred in the period as the Company completed the going public process and listed on the TSX Venture Exchange.

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- Office and general expenses increased from \$nil for the three month period ended June 30, 2020 to \$165,389 for the three month period ended June 30, 2021. The increase is mainly in relation to rent and office supplies as the Company adds support staff and additional personnel.
- Travel expenses increased from \$nil for the three month period ended June 30, 2020 to \$97,593 for the three month period ended June 30, 2021. The increase is mainly in relation to travel to site as well as corporate head office.

For the six month period ended June 30, 2021 and 2020:

Expenses of \$25,969,135 for the six month period ended June 30, 2021 increased in comparison to expenses of \$nil for the six month period ended June 30, 2020. The Company was dormant during the prior period. During the current year, the Company primarily incurred consulting and professional fees to bring together the land package described above which was acquired during the six month period ended June 30, 2021, as well as exploration and evaluation expenditures on the acquired properties.

- Exploration and evaluation expenditures increased to \$23,477,653 for the six month period ended June 30, 2021 from \$nil for the six month period ended June 30, 2020. The increase is due primarily to acquisition costs, amounting to \$21,199,580 (2020 - \$nil), consisting of 29,650,000 share (2020 - nil), issued with a value of \$14,825,000 (2020 - \$nil), as well as cash acquisition costs and claim staking amounting to \$6,374,580 (2020 - \$nil). The Company also incurred drilling costs, consulting and wages and field work as it conducted its exploration campaign during the period.
- Consulting fees increased from \$nil for the six month period ended June 30, 2020 to \$430,654 for the six month period ended June 30, 2021. The increase is due to consulting fees relating to corporate management and operations.
- Share-based payments increased from \$nil for the six month period ended June 30, 2020 to \$1,231,000 for the six month period ended June 30, 2021. The increase is due to 3,603,000 (2020 – nil) restricted share units and 3,477,000 (2020 – nil) options issued during the six month period ended June 30, 2021.
- Professional fees increased to \$215,290 for the six month period ended June 30, 2021 from \$nil for the six month period ended June 30, 2020. The increase is due to legal fees to draft various agreements and consulting contracts, as well as accounting and audit fees.
- Shareholder information costs increased from \$nil for the six month period ended June 30, 2020 to \$219,837 for the six month period ended June 30, 2021. The increase is mainly due to investor relations costs and TSX Venture Exchange fees incurred in the period as the Company completed the going public process and listed on the TSX Venture Exchange.
- Office and general expenses increased from \$nil for the six month period ended June 30, 2020 to \$230,775 for the six month period ended June 30, 2021. The increase is mainly in relation to rent and office supplies as the Company adds support staff and additional personnel.
- Travel expenses increased from \$nil for the six month period ended June 30, 2020 to \$135,816 for the six month period ended June 30, 2021. The increase is mainly in relation to travel to site as well as corporate head office.

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Other Income (expenses):

- The Company incurred one time listing costs of \$1,469,295 (2020 - \$nil) related to the reverse takeover transaction with 1246768 B.C. Ltd. and subsequent listing on the TSX Venture Exchange. See note 4 of the condensed consolidated interim financial statements for the three and six month periods ended June 30, 2021 and 2020 for details.

SELECTED FINANCIAL INFORMATION

The information below should be read in conjunction with the financial statements and related notes and other financial information. The following is for the periods ended:

	Six Months Ended Jun 30, 2021	Year Ended Dec 31, 2020	Year Ended Dec 31, 2019
	\$	\$	\$
Income (Loss)	(27,520,820)	(1,984,491)	(2,000)
Income (Loss) per share	(0.34)	(0.18)	(200)
Total assets at end of period/year	22,090,712	9,073,924	1

SUMMARY OF QUARTERLY RESULTS

The following tables set forth selected financial information for each of the Company's eight most recently completed quarters:

	Q2 2021 \$	Q1 2021 \$	Q4 2020 \$	Q3 2020 \$
Expenses	(24,333,863)	(1,635,272)	(1,290,882)	(689,036)
Other income (expenses)	(1,549,838)	(1,847)	(4,573)	-
Net loss	(25,883,701)	(1,637,119)	(1,295,455)	(689,036)
Basic income (loss) per share	(0.24)	(0.03)	(0.11)	(1.92)
Total assets at end of period	22,090,712	31,672,847	9,073,924	1,316,619

	Q2 2020 \$	Q1 2020 \$	Q4 2019 \$
Expenses	-	-	(2,000)
Net loss	-	-	(2,000)
Basic income (loss) per share	-	-	(200)
Total assets at end of period	1	1	1

The Company was incorporated during Q4 of 2019 and remained dormant other than accruals for audit fees until the third quarter of 2020 when the Company commenced financing activities and arranging its land package, incurring consulting and professional fees related to these activities.

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Disclosure of Outstanding Share Data as of August 18, 2021

	Authorized	Outstanding
Voting or equity securities issued and outstanding	Unlimited	136,985,107 common shares
Securities convertible or exercisable into voting or equity shares		a) 5,727,000 Options to acquire up to 2,250,000 common shares b) 2,003,000 Restricted Share Units exercisable to acquire common shares of the Company c) 2,741,310 broker warrants to acquire common shares of the Company

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Financial Instruments and Other Instruments

The Company's financial instruments consist of cash and cash equivalents, and accounts payable and accrued liabilities. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments and that the fair values of these financial instruments approximate their carrying values.

Dividends

The Company has neither declared nor paid any dividends on its common shares. The Company intends to retain its earnings, if any, to finance growth and expand its operation and does not anticipate paying any dividends on its common shares in the foreseeable future.

LIQUIDITY AND CASH FLOWS

The Company ended the second quarter of fiscal 2021 with cash of \$21,234,540, compared to \$8,686,883 as at December 31, 2020. The Company had working capital (current assets – current liabilities) of \$20,113,584 as at June 30, 2021 compared to a working capital of \$8,754,717 as at December 31, 2020.

Cash used by operating activities was \$9,280,922 for the six month period ended June 30, 2021, compared to cash used by operating activities of \$nil for the six month period ended June 30, 2020. Cash flows used by operating activities reflect the increase in operations in the current year as the Company put together a management team and began exploration activities on its property portfolio. Cash acquisition costs comprised the highest portion amounting to \$6,374,580 (2020 - \$nil).

Cash flows provided by financing activities were \$21,892,647 for the six month period ended June 30, 2021, compared to \$nil for the six month period ended June 30, 2020. The amount of cash provided by financing activities was higher in the current period primarily due to the subscription receipts private placements during the six month period ended June 30, 2021 for net proceeds of \$21,915,007.

It is not possible to predict if or when the Company will achieve profitable levels of operations. As at June 30, 2021, the Company had working capital of \$20,113,584 (December 31, 2019 - \$8,754,717).

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The financial statements have been prepared on a going concern basis. The going concern basis assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The Company incurred a net loss during the six month period ended June 30, 2021 of \$27,520,820 and an accumulated deficit of \$29,507,311.

The Company's ability to continue as a going concern is dependent upon attaining profitable operations, and, if required, the ability to raise funds through public equity financings to meet expenditure commitments. There is no assurance that these activities will be successful. The combination of the circumstances set out above represents a material uncertainty which may cast significant doubt upon the Company's ability to continue as a going concern. However, the Company is confident that it will have adequate resources to continue in operational existence for the foreseeable future. For this reason, the Company continues to adopt the going concern basis in preparing its financial statements. These financial statements do not reflect the adjustments to the carrying values of assets and liabilities, the reported revenues and expenses, and the balance sheet classifications used that would be necessary if the going concern assumptions were not appropriate. These adjustments would be material to the financial statements.

TRANSACTIONS WITH RELATED PARTIES

Compensation of Key Management Personnel of the Company

Key management personnel, including companies controlled by them, are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

The remuneration of directors and key executives is determined by the compensation committee.

The remuneration of directors and other members of key management personnel during the six month period ended June 30, 2021 and 2020 were as follows:

	June 30, 2021	June 30, 2020
Short term employee benefits, director fees	\$ 403,000	\$ -
Share-based payments	1,113,000	-
	<u>\$ 1,516,000</u>	<u>\$ -</u>

As at June 30, 2021, an amount of \$44,000 (December 31, 2020 - \$76,000) due to key management personnel, was included in accounts payable and accrued liabilities. This amount is unsecured, non-interest bearing and without fixed terms of repayment.

RISK FACTORS

The Company's Board of Directors has overall responsibility for the oversight of the Company's risk management policies. In carrying on its business, the Company is exposed to a variety of risks, including the risks described elsewhere in this MD&A. The Company can neither predict nor identify all such risks nor can it accurately predict the impact, if any, of such risks on its business, operations or the extent to which one or more risks or events may materially change future results of financial position from those reported or projected in any forward-looking statements. Accordingly, the Company cautions the reader not to rely on reported financial information and forward-looking statements to predict actual future results.

This MD&A and the accompanying financial information should be read in conjunction with this statement concerning risks and uncertainties. Some of the risks, uncertainties and events that may affect the

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Company, its business, operations, and results, are given in this section. However, the factors and uncertainties are not limited to those stated.

The Company is in the exploration stage and is subject to the risks and challenges similar to other companies in a comparable stage. Other than the risks relating to reliance on financing previously discussed, as well as those discussed elsewhere in this MD&A, the Company is subject to a number of risks and uncertainties which are not discussed in this MD&A. To properly understand such risks, readers are directed to the Company's AIF for the year ended December 31, 2020 under the heading "Risk Factors", which is incorporated by reference into this MD&A. The AIF is available on SEDAR (www.sedar.com).

CORPORATE GOVERNANCE

The Board of Directors follow corporate governance policies to ensure transparency and accountability to shareholders. The Audit Committee fulfills its role of ensuring the integrity of the reported information through its review of the interim and audited annual consolidated financial statements prior to their submission to the Board of Directors for approval.

DISCLOSURE CONTROLS AND PROCEDURES

The Chief Executive Officer and Chief Financial Officer have evaluated the effectiveness of the design and operation of disclosure controls and procedures as of June 30, 2021. Based on this evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that disclosure controls and procedures are effective to ensure that information required to be disclosed in reports filed or submitted under Canadian securities legislation are reported within the time periods specified in those rules.

INTERNAL CONTROL OVER FINANCIAL REPORTING

The Chief Executive Officer and Chief Financial Officer are responsible for establishing and maintaining adequate internal control over financial reporting. Under the supervision of the Chief Financial Officer, internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. There has been no change in internal control procedures during the six months ended June 30, 2021 that would materially affect, or reasonably likely to materially affect, the internal control over financial reporting.

LIMITATIONS OF CONTROLS AND PROCEDURES

The Chief Executive Officer and Chief Financial Officer believe that any disclosure controls and procedures or internal controls over financial reporting, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of the control. The design of any systems of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost effective control system, misstatements due to error or fraud may occur and not be detected.

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ADDITIONAL INFORMATION

Additional information regarding the Company, including the AIF for the fiscal year ended December 31, 2020, can be found at <https://millennialpreciousmetals.com> and www.sedar.com.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

Financial assets and financial liabilities as at June 30, 2021 and December 31, 2020:

	At fair value through profit of loss	Amortized cost	Other financial liabilities	Total
As at June 30, 2021				
Cash	\$ -	\$ 21,234,540	\$ -	\$ 21,234,540
Accounts payable and accrued liabilities	-	-	1,519,757	1,519,757
Lease obligation		280,051		280,051
RSU Liability			61,000	61,000
As at December 31, 2020				
Cash	\$ -	\$ 8,686,883	\$ -	\$ 8,686,883
Accounts payable and accrued liabilities	-	-	319,207	319,207

The Company classifies its financial instruments carried at fair value according to a three level hierarchy that reflects the significance of the inputs used in making the fair value measurements. The three levels of fair value hierarchy are as follows:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices that are observable for assets and liabilities, either directly or indirectly;
- Level 3 – Inputs for assets or liabilities that are not based on observable market data

The carrying value of cash, cash held in escrow, accounts payable and accrued liabilities and RSU liability approximate fair value due to their short term nature.

The Company's risk exposure and the impact on the Company's financial instruments are summarized below. There have been no changes in the risks, objectives, policies and procedures from the previous reporting period.

Liquidity Risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if the Company's access to capital markets is hindered, whether as a result of a downturn in stock market conditions generally or related to matters specific to the Company. As at June 30, 2021, the Company had current assets of \$21,746,460 (December 31, 2020 - \$9,073,924) to settle current liabilities of \$1,632,876 (December 31, 2020 - \$319,207). Working capital for the Company as at June 30, 2021 was \$20,113,584 (December 31, 2020 - \$8,754,717).

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MANAGEMENT'S RESPONSIBILITY

Management is responsible for all information contained in this report. The financial statements have been prepared in accordance with IFRS and include amounts based on management's informed judgments and estimates. The financial and operating information included in this report is consistent with that contained in the financial statements in all material aspects.

Management maintains internal controls to provide reasonable assurance that financial information is reliable and accurate and assets are safeguarded.

The Audit Committee has reviewed the financial statements with management. The Board of Directors has approved the financial statements on the recommendation of the Audit Committee.