



**SCOTTIE RESOURCES CORP.**  
FORM 51-102F1  
MANAGEMENT DISCUSSION AND ANALYSIS (“MD&A”)  
for the three months ended November 30, 2020

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**INTRODUCTION**

Scottie Resources Corp. (“Scottie” or “the Company”) was incorporated on November 24, 2009 in the Province of British Columbia, Canada. On January 14, 2019, the Company changed its name from Rotation Minerals Ltd. to Scottie Resources Corp. The Company trades on the TSX Venture Exchange under the symbol “SCOT”.

This discussion and analysis of financial position, results of operations and cash flows of Scottie Resources Corp. for the three months ended November 30, 2020 includes information up to and including January 28, 2021 and should be read in conjunction with the Company’s condensed interim financial statements for the three months ended November 30, 2020 and with the audited financial statements for the years ended August 31, 2020 and 2019. The Company’s financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the IASB. All currency amounts are expressed in Canadian dollars.

The reader is encouraged to review the Company’s statutory filings on [www.sedar.com](http://www.sedar.com) and to review other information about the Company on its website at [www.scottieresources.com](http://www.scottieresources.com)

**DESCRIPTION OF BUSINESS**

Scottie is an exploration stage company engaged in the acquisition, exploration and evaluation of mineral properties located in the “Golden Triangle” area of British Columbia, Canada. The area known as the Golden Triangle of British Columbia is among the world’s most prolific mineralized districts, host to past and current mining operations including Johnny Mountain, Red Mountain, Snip Mine, Eskay Creek, Premier Mine, Golden Bear and Valley of the Kings. The Golden Triangle has reported mineral resources (past production and current resources) in total of 67 million oz of gold, 569 million oz of silver and 27 billion pounds of copper.

The Company’s objective is to undertake mineral exploration on properties assessed to be of merit to define mineral resources, and to put plans in place in order that the properties may be put into operation in an economic and sustainable manner. Metals being targeted are precious metals with a focus on gold and silver. In the course of executing its business objectives, it is expected the Company will enter into various agreements specific to the mining industry, such as purchase or option agreements to acquire mineral claims and joint venture agreements.

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### **CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS**

This MD&A includes certain forward-looking statements or information. All statements other than statements of historical fact included in this MD&A including statements relating to the potential mineralization or geological merits of the Company's mineral properties and the future plans, objectives or expectations of the Company are forward-looking statements that involve various risks and uncertainties. Such forward-looking statements include among other things, statements regarding future commodity pricing, estimation of mineral reserves and resources, timing and amounts of estimated exploration expenditures and capital expenditures, costs and timing of the exploration and development of new deposits, success of exploration activities, permitting time lines, future currency exchange rates, requirements for additional capital, government regulation of mining operations, environmental risks, anticipated reclamation expenses, timing and possible outcome of pending litigation, timing and expected completion of property acquisitions or dispositions, and title disputes. They may also include statements with respect to the Company's mineral discoveries, plans, out-look and business strategy. The words "may", "would", "could", "should", "will", "likely", "expect", "anticipate", "intend", "estimate", "plan", "forecast", "project" and "believe" or other similar words and phrases are intended to identify forward-looking information.

Forward-looking statements are predictions based upon current expectations and involve known and unknown risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements.

Important factors that could cause actual results to differ materially from the Company's plans or expectations include risks relating to the actual results of exploration programs, fluctuating commodity prices, the possibility of equipment breakdowns and delays, the availability of necessary exploration equipment including drill rigs, exploration cost overruns, general economic or business conditions, regulatory changes, and the timeliness of government or regulatory approvals to conduct planned exploration work. Additional factors that could cause actual results to differ materially from the Company's plans or expectations include political events, fluctuations in mineralization grade, geological, technical, mining or processing problems, future profitability on production, the ability to raise sufficient capital to fund exploration or production, litigation, legislative, environmental and other judicial, regulatory, political and competitive developments, inability to obtain permits, general volatility in the equity and debt markets, accidents and labour disputes and the availability of qualified personnel.

Although the Company has attempted to identify all of the factors that may affect our forward-looking statements or information, this list of the factors is not exhaustive. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks and uncertainties detailed throughout this MD&A.

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### **PERFORMANCE SUMMARY AND SUBSEQUENT EVENTS**

During the period ended November 30, 2020 and to the date of this report the Company:

- Commenced a 57 km<sup>2</sup> helicopter borne concurrent magnetic and electromagnetic surveys and two induced polarization survey grids on the Scottie Gold claims in northern BC's Golden Triangle. These geophysical surveys will aid interpretation in conjunction with sampling and geological mapping and will guide exploration in 2020 and beyond. Please refer to the news release dated September 3, 2020 for more information.
- Scottie completed a total of 7,040 metres of diamond drilling on its properties focusing on the Scottie Gold mine, the Bow property and the Summit Lake properties.
- Reported on the first assays of the 2020 drill program, including a high-grade intercept on the Scottie Gold Mine O-Zone of 109.4 g/t gold and 32.4 g/t silver over 2.53 metres. For more details related to the assay results, please refer to the news release dated October 6, 2020.
- Reported assay results for the Blueberry Zone of the Bow property, including the discovery of a new mineralization trend that runs oblique to the historic Blueberry Vein target. Intersection of multiple high-grade intervals along strike include 22.3 g/t gold over 6.1m. For more details related to the assay results, please refer to the news release dated December 8, 2020
- Reported assay results for the first ever drill program at the Domino Zone of the Summit Lake property, including a high-grade intercept of 12.4 g/t gold and 8.7 g/t silver over 2.69 metres in which the hole ended mineralization at a depth of 121.5 metres. Drilling also revealed near surface mineralization grading 19.9 g/t gold and 71.6 g/t silver over 0.94 metres hosted in a wider zone of moderate mineralization grading 2.48 g/t gold and 8.63 g/t silver over 15.46 metres. For more details related to the assay results, please refer to the news release dated January 21, 2021.
- Reported assay results on the O-Zone target, part of the Scottie Gold Mine including 2.26 g/t gold and 6.53 g/t silver over 19.04 m, which includes a high-grade interval of 10.7 g/t gold and 31.2 g/t silver over 2.77 metres. For more details related to the assay results, please refer to the news release dated January 26, 2021

### **OUTLOOK**

In March 2020 the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak has continued to spread and adversely affected workforces, travel, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or results of operations at this time. In order to mitigate the impact of the pandemic the company implemented various health and safety measures at its projects and participated in investment conferences using a virtual format. In November 2020, two viable vaccines were announced that could result in a return to pre-pandemic conditions.

Since incorporation on November 24, 2009 the Company has acquired various properties in British Columbia, Canada and has secured financing to fund additional exploration programs. The Company recently completed a 7000 m drill program on multiple targets in the Scottie Gold Mine Project, which include the Blueberry Vein, Scottie Gold Mine and the Domino Zone. The incoming results from this drill program, and the other components of the 2020 exploration program (surficial sampling/mapping, geophysics) will guide the scope of the 2021 exploration program.

As the Company has no source of revenue at this time, it will continue to require additional capital to fund future office and administrative expenditures and to advance the Company's projects and complete project investigation activities.

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**EXPLORATION AND EVALUATION PROJECTS****Scottie Gold Project*****2020 Exploration Program***

Exploration of the Scottie Gold Project (which includes the Scottie Gold Mine property, Bow property, and Summit Lake claims) during 2020 included 7040 m of diamond drilling, an airborne electromagnetic (EM) survey, induced polarization (IP) survey grids, and surficial sampling and geological mapping on key targets.

The 7040 m drill program consisted of a total of 46 drill holes, testing 5 principal targets: Scottie Gold Mine (10 holes), Blueberry Vein (11 holes), Bend Vein (4), Domino Zone (18 holes), and 6 Oz Zone (3 holes). The Domino Zone, newly discovered in 2019 from high-grade surficial samples was tested with 1,979 m of drilling in 18 drill holes from 6 drill pads.

The helicopter-borne EM survey consisted of ~634 line-kilometers, at 100 m spacing, approximately 50 m above ground. The EM survey was done by Precision Geophysics, with a time-domain system (AirTEM).

Induced Polarization grid surveys were performed by Scott Geophysics over the Domino and Bend vein targets. An additional gradient survey was completed in the area between the Scottie Gold Mine and the Domino zone.

Concurrent with the drill program was a robust geological mapping and sampling program focused on interpreting the structures hosting mineralization identified during the 2019 exploration program, as well as investigating area which have experienced substantial glacial retreat in recent years.

*Select Results from 2020 Drilling on the Scottie Gold Mine M-Zone, the Blueberry Zone, and the Bend Vein (released October 6, 2020)*

<b>Drill Hole</b>		<b>From (m)</b>	<b>To (m)</b>	<b>Width* (m)</b>	<b>Gold (g/t)</b>	<b>Silver (g/t)</b>	<b>Area</b>
SR20-21		223.05	223.98	0.93	1.82	8.94	Blueberry
SR20-22		143.00	171.74	<b>28.74</b>	1.79	1.66	Blueberry
	<i>including</i>	147.00	152.00	<b>5.00</b>	4.97	4.02	Blueberry
	<i>and including</i>	149.00	150.00	1.00	<b>13.1</b>	8.87	Blueberry
	<i>including</i>	169.50	171.74	2.24	3.42	1.14	Blueberry
SR20-23		122.00	166.00	<b>44.00</b>	2.05	1.06	Blueberry
	<i>including</i>	122.00	125.00	3.00	4.24	3.11	Blueberry
	<i>including</i>	142.50	143.50	1.00	<b>30.50</b>	6.87	Blueberry
	<i>including</i>	165.00	166.00	1.00	<b>9.50</b>	0.36	Blueberry
SR20-27		92.81	93.97	1.16	1.32	9.11	Scottie Gold Mine O-Zone
	<i>and including</i>	197.97	200.5	2.53	<b>109.4</b>	32.4	
	<i>and including</i>	224.15	224.8	0.65	<b>86.2</b>	26.7	

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#### *Scottie Property, British Columbia*

On September 27, 2012, the Company entered into an agreement with a company with former directors in common with the Company to purchase an 80% interest in the Scottie Property or Scottie Gold Mine. The Scottie Gold Mine property is located in the Golden Triangle 50 kilometres north of Stewart, British Columbia.

The Company purchased the 80% interest for \$370,000. The Company paid \$20,000 upon signing the agreement with the remaining \$350,000 payable within one year of signing the agreement. The due date of the \$350,000 payment was extended a number of times.

On August 31, 2016, the vendor of the Scottie property agreed to transfer the remaining 20% interest in the Scottie property to the Company at no cost provided that the Company pay the \$350,000 on or before November 30, 2016. The Company and the vendor then negotiated an extension of that due date to September 1, 2017. The \$350,000 balance owing was paid in full on August 24, 2017.

The property is subject to a 3% gross smelter return royalty. The Company has the right to purchase 2% for \$600,000.

Edward Kruchkowski, a former director of the Company, was also a director and shareholder of the vendor, and as a result, the transaction was considered to be a related party transaction as defined under Multilateral Instrument 61-101. The transaction was exempt from the formal valuation and minority shareholder approval requirements of MI 61-101, as the fair market value of the consideration paid by the Company for the acquisition of the 20% interest did not exceed 25% of the Company's market capitalization at that time.

The Scottie property is located approximately 50 kms north of Stewart, British Columbia and consists of 14 Crown Granted claims and 2 Modified Grid System (MGS) claims that are contiguous. The property covers 107 hectares of MGS claims and 213 hectares of Crown Granted claims.

The Scottie Gold Mine operated from 1981 to 1985 and produced 95,426 ounces of gold from 183,147 tonnes of mineralization. Four separate vein zones labelled the 'L', 'M', 'N' and 'O' zones were partially explored by drilling and underground development. These four zones were the source of the gold produced during the milling operation.

After closure of the mine, Wright Engineers prepared a report dated July 1985 that indicated diluted mineral resources in the Proven, Probable and Possible categories the four zones as 120,279 tonnes grading 19.31 g/t gold for a total of 74,333 ounces. Wright Engineers used information supplied by the Scottie Gold Mine engineers and did not independently confirm the information. The report by Wright Engineer's relied on drill hole data and underground sampling results from programs completed by the Scottie Gold Mine operators.

During the period from 2004 to 2006, further drilling by Tenajon Resource Corp. ("Tenajon"), led to a historical resource estimation by Giroux Consultants in October, 2007. This historical resource estimation was based on Tenajon's drill hole data, Scottie Gold Mine drill hole data, and underground sampling. The results of the estimation are outlined below:

#### 2007 Resource Estimation for the Scottie Property

Veins	Category	Tonnes	Au g/t	Ag g/t	Ounces Gold	Ounces Silver
L, M, N and O	Indicated	20,100	9.91	4.32	6,400	2,800
L, M, N and O	Inferred	203,000	8.40	4.25	54,800	27,800

*The Scottie Gold mine historical estimates from the Wright Engineer's (1985) and the Giroux Consultants (2007) reports have not been verified by the Company and do not comply with CIM Definition Standards on Mineral Resources and Mineral*

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*Reserves as required by NI 43-101 and is not relevant to NI 43-101. These estimates are historical and are used for reference purposes only. The company is not treating the historical estimate as current mineral resources. The company plans on conducting an exploration program that will include twinning of drill holes to verify the historical data and prepare a current mineral resource.*

The estimations of previous operators were based on mineralization defined in a zone 200 metres wide and 200 metres long with a vertical range of 440 metres. The mineralization is open along strike and to depth. Exploration to date has identified 13 potential zones of gold-bearing quartz-sulphide veining of the same nature as ore milled at Scottie during its operation.

The Company believes that with over 1,000 metres of unexplored strike and an additional 600 metres of open vertical extent, there exists great potential to expand the known mineralization.

#### ***Bow Property, British Columbia***

On December 12, 2018, the Company entered into an option agreement with Decade Resources Ltd. (“Decade”), a company with a former director in common with the Company, to acquire a 100% interest in the Bow property located in the Golden Triangle mining district of British Columbia. The Bow covers 471.92 hectares and is subject to a 3% net smelter return royalty. The Company has the right to purchase 66.67% (2%) for \$600,000.

The Bow is contiguous with the Company’s 100% owned Scottie property which hosts the past producing Scottie Gold mine. Previous exploration work has identified 13 different gold-bearing veins on the Bow and Scottie properties.

The terms of the option agreement require cash payments totalling \$1,000,000 to be paid in five equal installments as follows:

- \$200,000 on TSX Venture Exchange approval of the option agreement (paid);
- \$200,000 on or before June 12, 2019 (paid);
- \$200,000 on or before December 12, 2019 (paid);
- \$200,000 on or before June 12, 2020; and <sup>1</sup>
- \$200,000 on or before December 12, 2020. <sup>1</sup>

<sup>1</sup>During the period ended May 31, 2020, the Company renegotiated the terms of the payment schedule and accelerated the earn-in. The final two payments totalling \$400,000 were renegotiated and replaced with a single payment of \$300,000, which the Company paid and acquired 100% of the Bow property.

Edward Kruchkowski, a director of Decade and a former director of Scottie, abstained from approving the transaction and was not involved in negotiating its terms.

The Bow property covers a package of Hazelton Group volcanic rocks in contact with the Summit Lake stock, part of the Texas Creek plutonic suite. This sequence of rocks exhibits similar alteration and mineralization to the former-producing Premier mine 20 kilometres south of the Bow property, and the KSM copper-gold porphyries and Brucejack gold deposits 20 kilometres north of the Bow property.

#### ***Summit Lake***

On April 26, 2019, the Company entered into an option agreement to acquire a 100% interest in a land package property known as the Summit Lake property. The mineral claims comprising the land package cover 1,583 hectares.

Summit Lake surrounds the Scottie crown grants expands the existing footprint of the Company’s land package. The property has shown multiple geophysical anomalies as well as high grade mineralization along the boundary bordering the Scottie property. Summit Lake opens up the area to further exploration, including unexplored areas exposed by retreating ice fields. The terms of the option agreement call for cash payments totalling \$250,000 to be paid as follows:

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- \$50,000 on TSXV approval of the option agreement (paid);
- \$50,000 on or before April 26, 2020; (paid)
- \$50,000 on or before April 26, 2021;
- \$50,000 on or before April 26, 2022; and
- \$50,000 on or before April 26, 2023.

The terms of the option agreement call for share payments totalling 2,200,000 common shares to be issued as follows:

- 200,000 on TSXV approval of the option agreement (issued);
- 400,000 on or before April 26, 2020; (issued)
- 500,000 on or before April 26, 2021;
- 500,000 on or before April 26, 2022; and
- 600,000 on or before April 26, 2023.

The Summit Lake property is subject to a 1.8% net smelter return royalty. The Company has the right to purchase 0.8% of the royalty for \$1,000,000 at any time.

The Company staked additional adjacent mineral claims for \$13,695.

#### ***Stock Property, British Columbia***

The Company staked a 100% interest in the Stock property.

The Stock property covers 2,506.11 hectares and is located west of Ascot's Dilworth property and south of the Company's Scottie property. The Stock property has been explored intermittently since 1921 with numerous tunnels and crosscuts, one extending 300 metres. Mineralization on the property includes silver, gold, tungsten, copper, lead and zinc in beds of a siltstone complex. The most recent assessment report from 1980 indicated that silver mineralization "is widespread in the sedimentary sequence – every one of the 201 samples taken in 1980 contained silver values."

The Company forfeited 1622.68 ha of claims on the Stock Property on February 17, 2019.

The Company staked 360.59 ha of additional adjacent mineral claims on July 3, 2019 for \$631.02.

*The historical sample information quoted above is not National Instrument 43-101 compliant and should not be relied upon.*

#### **Cambria Project**

##### ***Black Hills Property, British Columbia***

On January 17, 2013, the Company purchased a 100% interest in the Black Hills mineral claims.

The Black Hills property is situated 7 kms east-northeast of Stewart, BC, along the edge of the retreating Cambria Icefield. The property comprises 1,252 hectares and is primarily underlain by argillite rocks of the Middle Jurassic Salmon River and andesitic rocks of the Unuk River Formation.

The two main mineral occurrences on the property are past producers of high-grade lead-zinc-silver, named the Black Hills and Blue Grouse. Sorted ore production from both totalled 53 tonnes (from 1930, 1935 and 1983), and graded an average of 1.17 g/t gold, 5,658 g/t silver, 16.1% lead, 2.92% zinc and 0.41 % copper.

The mineral occurrences consist of steeply dipping, narrow quartz-sulphide veins hosted in diorite and argillite. Recent grab sampling from the dump pile of a north-trending adit on the property included a sample that returned 1.3 g/t gold, 4,080 g/t silver, 0.36 % copper, 11 % lead, and 17.1 % zinc.

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#### ***Ruby Silver Property, British Columbia***

On March 9, 2018, Scottie purchased a 100% interest in the Ruby Silver property located in the Golden Triangle. The Ruby Silver property is located 21 kilometres north of Stewart, B.C. The property covers approximately 4,300 hectares and is situated over numerous mineral occurrences. Consideration to purchase the 100% interest was \$100,000.

The Ruby Silver claims cover the Ruby Silver showing consisting of a quartz-carbonate vein containing blebs and disseminations of pyrite and chalcopyrite, locally forming up to 10% of the vein. Malachite and azurite staining is present. The vein is up to 1.5 metres wide, strikes 110 degrees and dips 68 degrees southwest. The vein has been explored by 3 different adits. The main adit follows the footwall of the vein, which, in turn, appears to follow a porphyritic dike. Historic sampling of the vein mineralization in the tunnels assayed from 0.7 to 11.0 grams per tonne gold, 15.4 to 115.2 grams per tonne silver and trace to 9.3% copper over widths of 0.3 to 1.8 metres (Property File - Cited in Thios Resources Inc., Prospectus April, 1987).

The Roosevelt Ridge area within the Ruby Silver claim block contains abundant quartz +/-carbonate veins as well as breccia, stockwork and replacement zones. Many of them are barren but some are mineralized with pyrite, sphalerite, galena, chalcopyrite and malachite. Sulphide content ranges from trace to 5%. The veins are up to 0.6 metres wide and locally traced over 40 metres. In addition to mineralization in place, there are also numerous boulders which feature very similar host rocks and mineralization. Several of those boulders yielded highly anomalous results in gold and base metals. The highest gold assay obtained from in situ samples collected in the previous years returned 7.51 g/t Au and 3.45% Zn. Gold results came from float rocks containing 25% pyrite, 1% sphalerite and 1-2% arsenopyrite assayed up to 9.0 g/t Au and 0.25% Zn. A historic float of argillite cut by quartz stockwork with pyrite and sphalerite assayed 5.56 g/t Au and 3.56% Zn.

#### ***Bitter Creek Property, British Columbia***

The Bitter Creek property joins the Company's Ruby Silver property and Black Hills property creating a contiguous land package of 10,350 hectares bordering the advanced Red Mountain gold property owned by Ascot Resources Ltd.

Bitter Creek property highlights:

- Contains approximately 30 historic mineral showings/prospects;
- Two historic small past producers (one on claim boundary);
- Property boundaries come within two kilometres of the town of Stewart;
- Covers 4,832 hectares.

All described showings are categorized as polymetallic veins with silver-lead-zinc-and-or-gold mineralization. Past production totalled 65 tons -- Black Hills (53 tons) and Mobile (12 tons), with respective average grades of 1.17 to 2.7 g/t gold; 5,658 to 8,247 g/t silver; 16.1 to 8.0% lead; 2.92 to 9.6% zinc; and 0.30 to 0.41% copper.

Scottie's Vice-President Exploration, Dr. Thomas Mumford, commented: "The sheer number of similar style showings present on the Bitter Creek claims encourage us to the potential of the mineralizing event. By filling in a number of key claims and connecting the Black Hills and Ruby Silver properties, the Bitter Creek land package allows us to assess the pervasive mineralization in the area at a much larger scale. This could help us to model, target and test the potential of a larger feeder system."

Work during the 2019 field season will involve following up on the mineralization style and structural controls on the various showings and past producers, with the aim of evaluating mineral deposit models that could correlate the mineralization between the three contiguous properties. Additionally, there has been significant glacial retreat on the property in recent years, and there will be a strong focus on assessing the newly exposed rocks.

On March 1, 2019, Scottie entered into an option agreement (the "Agreement") to acquire a 100% interest in 42 mineral claims covering 4,832 hectares known as the Bitter Creek property ("Bitter Creek"). Bitter Creek is subject to a 2.5% net smelter return royalty.

The terms of the Agreement call for payments totalling \$850,000 to be paid as follows:



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- \$5,000 upon signing of the Agreement (paid);
- \$10,000 within five business days of receiving TSXV approval of the agreement. TSXV approval was received on March 20, 2019 (the “Approval Date”) (paid);
- \$60,000 within five business days of the Approval Date - payable in cash or in common shares of the Company, at the election of the Company (paid in cash);
- \$75,000 within 6 months of the Approval Date - payable in cash or in common shares of the Company, at the election of the Company (paid in cash);
- \$100,000 within 12 months of the Approval Date - payable in cash or in common shares of the Company, at the election of the Company; (\$10,000 paid during period and \$90,000 settled subsequent to period end)
- \$100,000 within 18 months of the Approval Date - payable in cash or in common shares of the Company, at the election of the Company;<sup>1</sup>
- \$100,000 within 24 months of the Approval Date - payable in cash or in common shares of the Company, at the election of the Company;<sup>1</sup>
- \$100,000 within 30 months of the Approval Date - payable in cash or in common shares of the Company, at the election of the Company;<sup>1</sup>
- \$150,000 within 36 months of the Approval Date - payable in cash or in common shares of the Company, at the election of the Company;<sup>1</sup>
- \$150,000 within 42 months of the Approval Date - payable in cash or in common shares of the Company, at the election of the Company;<sup>1</sup>.

<sup>1</sup>During the period ended May 31, 2020, the Company renegotiated the terms of the agreement and accelerated the earn-in. The Company negotiated and made a one-time payment of \$325,000 and issued 1,000,000 common shares, valued at \$235,000 and acquired 100% of the Bitter Creek property.

The Company may purchase 60% (1.5%) of the net smelter return royalty for \$1,500,000. The Agreement remains subject to approval of the TSX Venture Exchange.

### ***2019 Exploration Program***

The Company’s 2019 Exploration Program was focused on assessing the entire claim package, including the newly acquired claims. The exploration program was executed in two phases, a robust surficial study (prospecting, mapping, and sampling), followed by a 2000 m drill program.

#### *Surficial Work*

The surficial work commenced on June 25<sup>th</sup> and continued until September 12<sup>th</sup>. Field work was carried out by teams of 4-6 people, doing targeted prospecting, mapping and sampling.

<b>Project</b>	<b>Rock Samples</b>	<b>Soil/Silt Samples</b>	<b>Tailings</b>
Bitter Creek	100	192	
Black Hills	25	3	
Ruby Silver	31	253	
Scottie-Bow	111		43
Stock	41		
Summit Lake	298	20	

This field work generated a number of new targets, including the Blue Goat showing on the Black Hills Property, as well as 6 distinct targets on the Summit Lake Claims (news release data August 27, 2019). Included in these targets is the Domino zone – which including grab samples of up to 536 g/t Au and 735 g/t Ag, and a chip sample grading 10.5 g/t Au and 14.0 g/t Ag over 5.3 m.

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#### Drill Program

As announced on August 20, 2019, a 2000 m drill program targeting high-probability holes on the Scottie and Bow Properties was completed. This 20 hole diamond drilling program comprised drilling in three zones: (1) Bend Vein, 11 holes, 877.7 m; (2) Blueberry Vein, 8 holes, 630.2 m; and (3) Scottie Gold Mine, 1 hole, 539.1 m. Together a total of 2050 metres were drilled. Of the 20 drilled holes, 17 contained intervals of sheared and sulphidized veins (similar to those observed in the Scottie Gold Mine).

#### **Bend Vein – Bow Property**

The Company completed 11 holes (877.7 metres) of diamond drilling on the Bend Vein within the Bow Property, which is located on the Granduc Road just 3.5 km NE of the Scottie Gold Mine.

The best intercept from the Bend Vein was in drill hole SR19-11, where 73.32 g/t gold and 71.01 g/t silver was intersected over 4.38 m core length, which includes 152.5 g/t gold and 143.56 g/t silver over 1.89 m. These results exemplify the high-grade gold and silver potential of the Bow Property.

#### *Selected Results from the 2019 Drilling on the Bend Vein target, Bow Property*

<b>Drill Hole</b>		<b>From (m)</b>	<b>To (m)</b>	<b>Width* (m)</b>	<b>Gold (g/t)</b>	<b>Silver (g/t)</b>	<b>Area</b>
SR19-01		40.61	43.21	2.60	2.73	4.66	Bend Vein
SR19-02		61.91	63.05	<b>1.14</b>	<b>46.53</b>	<b>51.83</b>	Bend Vein
SR19-04		82.05	84.84	2.79	1.49	69.38	Bend Vein
SR19-08		37.50	38.50	1.00	2.97	5.40	Bend Vein
SR19-11		25.53	29.81	<b>4.28</b>	<b>73.32</b>	<b>71.01</b>	Bend Vein
	<i>including</i>	26.45	28.34	<b>1.89</b>	<b>152.50</b>	<b>143.56</b>	Bend Vein

\*not true width, most intervals are estimated to be 80-90% of true width

#### **Blueberry Vein – Bow Property**

The Company completed 8 holes (630.2 metres) of diamond drilling on the Blueberry Vein within the Bow Property, which is located just off of the Granduc Road 2.3 km NE of the Scottie Gold Mine.

The best intercept from the Blueberry Vein was in drill hole from drill hole SR19-20 include 7.44 g/t gold and 1.29 g/t silver over 34.78 m, which includes 14.29 g/t gold over 14.00 m.

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*Selected Results from 2019 Drilling on the Blueberry Vein target, Bow Property*

Drill Hole		From (m)	To (m)	Width* (m)	Gold (g/t)	Silver (g/t)	Area
SR19-16		54.75	57.02	2.27	5.49	2.05	Blueberry Vein
	<i>including</i>	55.20	56.22	1.02	11.95	5.00	Blueberry Vein
SR19-18		20.87	21.52	0.65	4.76	2.80	Blueberry Vein
	<i>and</i>	49.34	55.21	5.87	1.32	0.38	Blueberry Vein
	<i>including</i>	54.76	55.21	0.45	10.00	0.70	Blueberry Vein
SR19-19		27.05	29.22	2.17	1.73	1.80	Blueberry Vein
SR19-20		71.00	105.78	34.78	7.44	1.29	Blueberry Vein
	<i>including</i>	71.00	85.00	14.00	14.29	2.17	Blueberry Vein
	<i>and including</i>	71.00	80.00	9.00	20.53	2.85	Blueberry Vein
	<i>and including</i>	71.00	71.88	0.88	143.50	14.60	Blueberry Vein
	<i>including</i>	97.00	105.78	8.78	6.01	1.02	Blueberry Vein

\*not true width, most intervals are estimated to be 80-90% of true width

**M Zone – Scottie Gold Mine**

The Company completed a single 539.1 metre hole of diamond drilling on the Scottie Gold Mine Property, targeting multiple zones, with the primary target being an extension of the M Zone. Results from drill hole SR19-13 include 7.27 g/t gold and 3.83 g/t silver over 25.02 m, which includes 11.72 g/t gold and 5.83 g/t silver over 10.95 m.

*Significant Intercepts from hole SR19-132019 drilled on the Scottie Gold Mine*

Drill Hole		From (m)	To (m)	Width* (m)	Gold (g/t)	Silver (g/t)	Area
SR19-13		68.63	71.00	2.37	1.38	20.92	SGM
	<i>including</i>	70.25	71.00	0.75	3.00	25.30	SGM
		85.29	93.43	8.14	1.43	11.01	SGM
	<i>including</i>	89.07	93.43	4.36	1.93	11.42	SGM
	<i>and including</i>	89.85	92.43	2.58	2.93	16.79	SGM
		151.53	174.00	22.47	1.29	2.03	SGM
	<i>including</i>	160.43	172.00	11.57	1.94	2.83	SGM
	<i>and including</i>	168.57	172.00	3.43	5.09	5.99	SGM
		249.62	250.68	1.06	3.78	4.80	SGM
		484.55	509.57	25.02	7.27	3.83	SGM - M Zone
	<i>including</i>	484.55	495.50	10.95	11.72	5.83	SGM - M Zone
	<i>and including</i>	508.54	509.57	1.03	50.40	16.00	SGM - M Zone

\*True width is uncertain as the orientation of the mineralized zones has not been determined sufficiently

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### Management Discussion and Analysis

For the three months ended November 30, 2020

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#### **DISCUSSION OF OPERATIONS**

The financial statements reflect the financial condition of the Company's business for the three months ended November 30, 2020. The significant events during the period which impact the financial results of the Company are discussed above in the performance summary.

During the period ended November 30, 2020, the Company incurred a net and comprehensive loss of \$485,417 as compared to a net loss of \$670,450 for the period ended November 30, 2019.

General and administrative expenses totalled \$660,903 for the period ended November 30, 2020 compared to \$716,558 for the period ended November 30, 2019. The overall increase was due to an increase in activity during the current period. General and administrative activity and overall operating expenses were significantly higher commensurate with the increase in the Company's exploration activity. General expenses included \$126,443 (2019 - \$388,236) of non-cash transactions relating to the granting and vesting stock option grant. General expenses with significant changes include:

- Consulting fees were \$30,000 for the period ended November 30, 2020 compared to \$54,464 for the period ended November 30, 2019. Consulting fees decreased as it did not require as much specialist consulting during the quarter ended November 30, 2020.
- Conference related costs totalled \$nil for the period ended November 30, 2020 compared to \$61,181 for the period ended November 30, 2019. Conferences costs decreased over the period as the Company faced travel restrictions due to Covid-19.
- Marketing costs totalled \$353,896 for the period ended November 30, 2020 compared to \$9,813 for the period ended November 30, 2019. The increase is due to the Company actively working toward increasing exposure of the Company and awareness of the exploration success the Company has had.
- Share-based payments were \$126,433 for the period ended November 30, 2020 compared to \$388,236 for the period ended November 30, 2019. The decrease is due to the Company not granting stock options during the period.
- Travel expenses were \$31,645 for the period ended November 30, 2020 compared to \$72,055 for the period ended November 30, 2020, The decrease is due to current travel restrictions and reduced attendance at industry events.

#### **SUMMARY OF QUARTERLY RESULTS**

The figures for the quarters ended November 30, 2020 and 2019 are calculated from the Company's annual audited financial statements. All other amounts are from unaudited condensed interim financial statements prepared by management. All quarterly results were derived from financial statements prepared using IFRS.

	<b>Q1</b>	<b>Q4</b>	<b>Q3</b>	<b>Q2</b>
	<b>November 30, 2020</b>	<b>August 31, 2020</b>	<b>May 31, 2020</b>	<b>February 29, 2020</b>
Revenues	\$Nil	\$Nil	\$Nil	\$Nil
Share-based payment	\$126,443	\$309,846	\$179,538	\$(9,654)
Net and comprehensive loss	\$(485,417)	\$(482,082)	\$(349,578)	\$(195,547)
Basic and diluted loss per share	\$(0.00)	\$(0.01)	\$(0.00)	\$(0.00)

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## Management Discussion and Analysis

For the three months ended November 30, 2020

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	<b>Q1</b>	<b>Q4</b>	<b>Q3</b>	<b>Q2</b>
	<b>November 30, 2019</b>	<b>August 31, 2019</b>	<b>May 31, 2019</b>	<b>February 29, 2019</b>
Revenues	\$Nil	\$Nil	\$Nil	\$Nil
Share-based payment	\$388,236	\$120,314	\$121,000	\$21,000
Net and comprehensive loss	\$(670,450)	\$(384,933)	\$(242,886)	\$(111,546)
Basic and diluted loss per share	\$(0.01)	\$(0.01)	\$(0.00)	\$(0.00)

**LIQUIDITY AND CAPITAL RESOURCES**

At November 30, 2020, the Company had a working capital of \$3,391,650.

The Company's operations do not generate cash flow and its success is dependent on its ability to discover economically viable mineral deposits. The mineral exploration process can take many years and is subject to factors such as commodity prices which are beyond the Company's control.

To date, the Company has been able to fund operations through equity financings. Uncertainty in the financial equity markets may make it difficult to raise additional capital through the private placements of shares. The junior mining industry is considered speculative in nature which may make it even more difficult to fund. While the Company will use its best efforts to achieve its business objectives by examining various financing alternatives, there is no assurance that the Company will be successful with its financing ventures.

**Financing Activities**

*During the three months Ended November 30, 2020 and subsequent events to:*

- The Company issued 14,997 common shares for proceeds of \$3,599 on the exercise of share purchase warrants.

**Commitments:****Summit Lake**

The terms of the option agreement on the Summit Lake property require cash payments to be paid as follows:

- \$50,000 on or before April 26, 2020; (paid)
- \$50,000 on or before April 26, 2021;
- \$50,000 on or before April 26, 2022;
- \$50,000 on or before April 26, 2023.

**CONTRACTUAL OBLIGATIONS**

Except as described herein or in the Company's financial statements at November 30, 2020, the Company had no material contractual obligations.

**OFF BALANCE SHEET ARRANGEMENTS**

The Company has no off-balance sheet arrangements to report.

**PROPOSED TRANSACTIONS**

The Company has no proposed transactions to report.

## SCOTTIE RESOURCES CORP.

### Management Discussion and Analysis

For the three months ended November 30, 2020

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#### **TRANSACTIONS WITH RELATED PARTIES**

As at the date of this report the directors of the Company were Bradley Rourke, Ernest Mast, Steven Stein and John Williamson. The officers of the Company were Bradley Rourke (CEO), Stephen Sulis (CFO) and Christina Boddy (Corporate Secretary).

The Company considers all of its directors and executive officers to be key management. Included in the above are the following key management compensation charges incurred during the period ended November 30, 2020 and 2019:

	<b>November 30, 2020</b>	<b>November 30, 2019</b>
Management fees	\$ 30,000	\$ 30,000
Professional fees	22,500	18,000
Loan interest	-	2,441
Share-based payments	82,667	193,987
	<u>\$ 135,167</u>	<u>\$ 244,428</u>

Management fees were \$30,000 for the period ended November 30, 2020. These fees were charged by the Company's CEO.

Professional fees were \$22,500 for the period ended November 30, 2020. These fees were charged by the Company's CFO as to \$13,500 and by the Company's Corporate Secretary as to \$9,000.

At November 30, 2020, due to related parties includes \$37,875 (August 31, 2020: \$51,854) due to directors of the Company and to companies with directors in common with the Company for fees and expenses. The amounts due to/from related parties are unsecured.

#### **CRITICAL ACCOUNTING ESTIMATES**

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements within the next financial year are discussed below:

i) *Exploration and Evaluation Assets*

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. The decision to abandon a property is largely determined by exploration results. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the profit or loss in the period the new information becomes available. At November 30, 2020, management considers that no impairment provision is required to the carrying costs of its mineral properties.

ii) *Rehabilitation Provisions*

At November 30, 2020, rehabilitation provisions have been determined to be \$Nil based on management's estimates. Assumptions, based on the current economic environment, have been made which management believes are a reasonable basis upon which to estimate the future liability. These estimates take into account any material changes to the assumptions that occur when reviewed regularly by management. Estimates are reviewed annually and are based on current regulatory requirements. Significant changes in estimates of contamination, restoration standards and techniques will result in changes to provisions from period to period.

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Management Discussion and Analysis  
For the three months ended November 30, 2020

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iii) *Share-based Payments*

The Company uses the Black Scholes Option Pricing Model for valuation of share-based payments. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

**FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS**

Cash, receivables and accounts payable and accrued liabilities are carried at amortized cost. The Company considers that the carrying amount of these financial assets and liabilities measured at amortized cost to approximate their fair value due to the short-term nature of the financial instruments. Cash is measured using level one of the fair value hierarchy.

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

The Company's financial instruments are exposed to certain financial risks. The risk exposures and the impact on the Company's financial instruments are summarized below.

*Credit Risk*

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash is exposed to credit risk. The Company reduces its credit risk on cash by placing these instruments with institutions of high credit worthiness.

*Interest Rate Risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's cash is exposed to interest rate risk.

*Liquidity Risk*

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company's accounts payable and advances from related parties are all current and due within 90 days of the balance sheet date. The Company ensures that it has sufficient capital to meet its short-term financial obligations.

Contractual cash flow requirements as at November 30, 2020 were as follows:

	<b>&lt; 1 year \$</b>	<b>1 – 2 years \$</b>	<b>3 – 5 years \$</b>	<b>Total \$</b>
Accounts payable and accrued liabilities	192,448	-	-	192,448
Due to related parties	37,875	-	-	37,875
<b>Total</b>	<b>230,323</b>	<b>-</b>	<b>-</b>	<b>230,323</b>

## **RISKS AND UNCERTAINTIES**

In addition to the risks and uncertainties outlined earlier in this management discussion, the Company is also subject to other risks and uncertainties including the following:

### *General Risk Associated with the Mining Industry*

The business of mineral deposit exploration and extraction involves a high degree of risk. Few properties that are explored ultimately become producing mines. At present, none of the Company's properties has a known commercial ore deposit. The main operating risks include: securing adequate funding to maintain and advance exploration properties; ensuring ownership of and access to mineral properties by confirmation that claims and leases are in good standing and obtaining permits for drilling and other exploration activities. The market prices for gold and other metals can be volatile and there is no assurance that a profitable market will exist for a production decision to be made or for the ultimate sale of the metals even if commercial quantities of precious and other metals are discovered.

Exploration and development activities involve risks which careful evaluation, experience and knowledge may not, in some cases eliminate. The commercial viability of any mineral deposit depends on many factors not all of which are within the control of management. Some of the factors that affect the financial viability of a given mineral deposit include its size, grade and proximity to infrastructure, government regulation, taxes, royalties, land tenure, land use, environmental protection and reclamation and closure obligations, have an impact on the economic viability of a mineral deposit. Management attempts to mitigate its exploration risk by maintaining a diversified portfolio of properties and a strategy of possible joint ventures with other companies which balances risk while at the same time allowing properties to be advanced.

### *Dependence on Key Personnel*

Loss of certain members of the executive team or key operational leaders of the company could have a disruptive effect on the implementation of the Company's business strategy and the efficient running of day-to-day operations until their replacement is found. Recruiting personnel is time consuming and expensive and the competition for professionals are intense. The Company may be unable to retain its key employees or attract, assimilate, retain or train other necessary qualified employees, which may restrict its growth potential.

### *Option Agreements*

The Company may earn interests in mineral properties through option agreements and acquisition of titles to the mineral properties is only completed when the option conditions have been met in full. These conditions generally include making property payments and incurring exploration expenditures on the properties and can include the completion of pre-feasibility studies. If the Company does not satisfactorily complete its option conditions in the time frame laid out in the option agreement, the Company's title to the related property will not vest and the Company will have to write-down the previously capitalized costs related to that property.

## **DISCLOSURE OF OUTSTANDING SHARE DATA**

### a) Issued:

At January 28, 2021, the Company had 120,433,895 common shares issued and outstanding.



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## Management Discussion and Analysis

For the three months ended November 30, 2020

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b) Stock Options:

At January 28, 2021, the Company had 10,675,000 stock options outstanding entitling the holders to purchase one common share for each option held as follows:

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<u>Number of Options</u>	<u>Exercise Price</u>	<u>Expiry Date</u>
1,000,000	\$0.05	May 16, 2021
300,000	\$0.20	May 24, 2022
150,000	\$0.26	October 26, 2022
600,000	\$0.255	March 8, 2023
1,000,000	\$0.10	December 3, 2023
1,000,000	\$0.22	April 25, 2024
2,400,000	\$0.195	September 17, 2024
100,000	\$0.225	February 3, 2024
3,625,000	\$0.215	May 25, 2025
200,000	\$0.42	August 21, 2021
<u>300,000</u>	<u>\$0.255</u>	<u>January 13, 2026</u>
<u>10,675,000</u>		

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c) Share Purchase Warrants:

At January 28, 2021, the Company had 13,690,457 share purchase warrants outstanding entitling the holders to purchase one common share for each warrant held as follows:

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<u>Number of Warrants</u>	<u>Exercise Price</u>	<u>Expiry Date</u>
10,600,000	\$0.30	January 16, 2022
758,457	\$0.24	May 14, 2022
132,000	\$0.34	June 7, 2022
<u>2,200,000</u>	<u>\$0.34</u>	<u>June 8, 2022</u>
<u>13,690,457</u>		

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