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KESSELRUN RESOURCES LTD.
MANAGEMENT DISCUSSION AND ANALYSIS FOR
THE THREE AND NINE MONTHS ENDED
APRIL 30, 2021 AND 2020

INTRODUCTION

The following Management Discussion and Analysis ("MD&A") of Kesselrun Resources Ltd. (the "Company" or "Kesselrun"), has been prepared by management, in accordance with the requirements of National Instrument 51-102 as of June 28, 2021, and should be read in conjunction with unaudited interim condensed financial statements for the three and nine months ended April 30, 2021, and the related notes contained therein which have been prepared under International Financial Reporting Standards ("IFRS"). The information contained herein is not a substitute for detailed investigation or analysis on any particular issue. The information provided in this document is not intended to be a comprehensive review of all matters and developments concerning the Company. The Company is presently a "Venture Issuer" as defined in National Instrument 51-102. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com and the Company's website at http://www.kesselrunresources.com.

All financial information in this MD&A has been prepared in accordance with IFRS and all dollar amounts are quoted in Canadian dollars, the reporting and functional currency of the Company, unless specifically noted.

FORWARD-LOOKING STATEMENTS

This MD&A contains certain forward-looking statements and information relating to the Company that are based on the beliefs of the Company's management as well as assumptions made by and information currently available to the management. When used in this document, the words "*anticipate*", "*believe*", "*estimate*", "*expect*" and similar expressions, as they relate to the Company or its management, are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to, among other things, regulatory compliance, the sufficiency of current working capital, the estimated cost and availability of funding for the continued exploration and development of the Company's exploration properties. Such statements reflect the current views of the management with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or the Company's achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

Uncertainty Associated with Global Outbreak of Covid-19

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

COMPANY OVERVIEW

Background

Kesselrun is a Canadian mineral exploration company based in Thunder Bay, Ontario. The Company was incorporated on May 18, 2011, pursuant to the Business Corporations Act, British Columbia. The Company's focus is its Huronian Gold Project ("Huronian"), covering 290 contiguous unpatented mining claims plus four patented mining claims totaling approximately 5,160 hectares located in Moss Township, Thunder Bay Mining Division, Ontario and its Bluffpoint Gold Project ("Bluffpoint"), comprising of 280 mining claims covering approximately 8,857 hectares located in Bluffpoint Lake Township, with portions extending into the townships of Lawrence Lake, Napanee Lake and Barker Bay in the Kenora Mining Division of Northwestern Ontario. The Company does not have any assets or mineral properties that are in production.

EXPLORATION PROJECTS

As of the date of this MD&A the Company's interest in exploration and evaluation assets consists of the Huronian Gold Project and the Bluffpoint Gold Project (Figure 1).

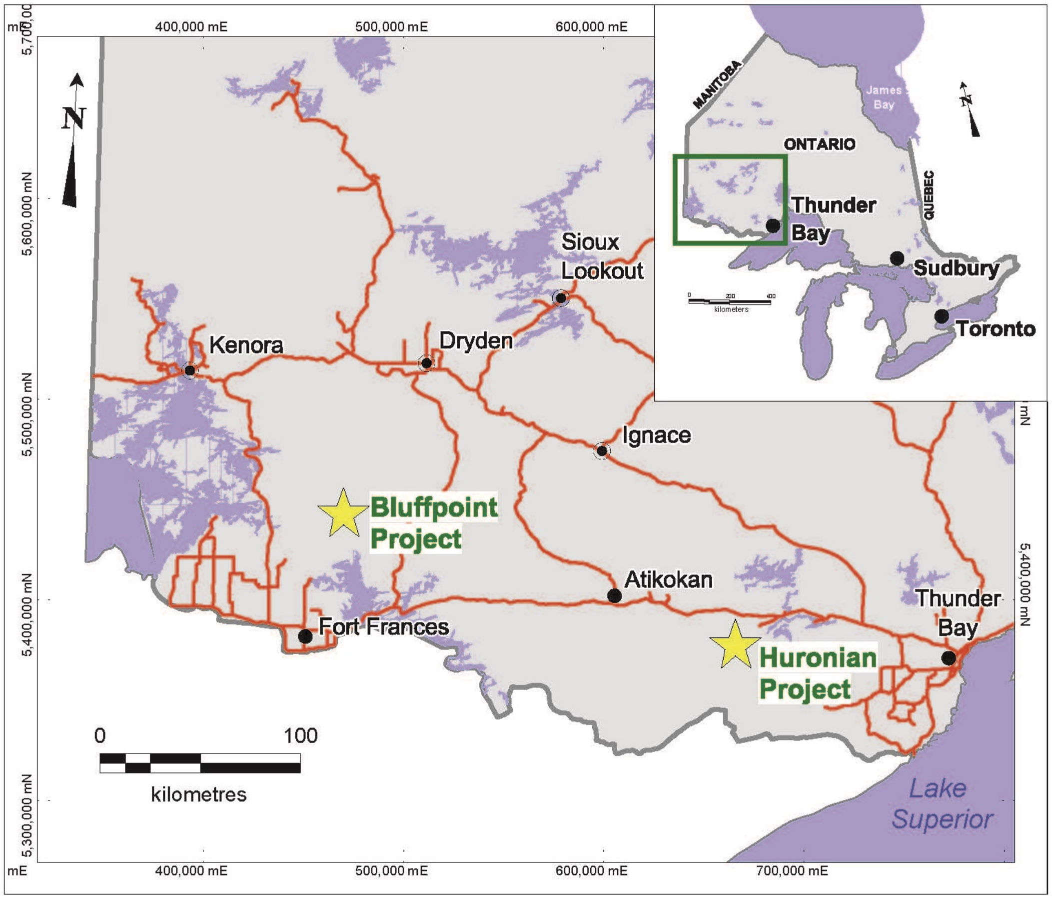

Figure 1. Project Locations

Table 1. Project sizes, claims and location

	Huronian Gold Project	Bluffpoint Gold Project
Area (ha)	5,160	8,857
Boundary Mining Claims	99	11
Single Cell Mining Claims	191	269
Total Mining Claims	290	280
Mining Patents	2	-
Mining + Surface Patents	2	-
Total Patents	4	-
Township/Area	Moss Township, Nelson Lake Area, Powell Lake Area	Bluffpoint Lake Area

HURONIAN GOLD PROJECT

Location and General Description

The Huronian Gold Project is located in Moss Township and the Nelson Lake and Powell Lake Areas in the Thunder Bay Mining Division of Northwestern Ontario, approximately 100 km west of the city of Thunder Bay. The project is centred on UTM NAD 83 Zone 15N 665,000 m E, 5,380,000 m N within NTS Map Sheet 52B/10. The Huronian Gold Project is approximately 5,160 hectares in size and comprised of 99 boundary cell mining claims, 191 single cell mining claims, 2 patented mining claims and 2 patented mining and surface claims. The Huronian Gold Project is owned 100% by the Company, subject to various net smelter returns royalties.

The Huronian Gold Project is situated in the highly prolific Shebandowan Greenstone Belt located in the Abitibi-Wawa Subprovince of the Archean Superior Province. The Huronian Gold Project hosts numerous significant gold zones including the past producing Huronian Mine (also formerly known as the Jackfish, Kerry, Moss and Ardeen at various times) that produced 29,629 ounces gold and 170,463 ounces silver from 143,724 tons from 1932-1936 (Ontario Ministry of Northern Development and Mines Production Records). The Huronian Gold Project also covers the southwest strike extension of the geology that hosts Goldshore Resources Inc.'s Moss Lake Gold Deposit. The Moss Lake Gold Deposit hosts an NI 43-101 compliant resource estimate of 40 million tonnes at a grade of 1.1 g Au/tonne (1,377,300 Oz Au) Indicated and an additional 50 million tonnes at a grade of 1.1 g Au/tonne (1,751,600 Oz Au) Inferred (Moss Lake Gold Mines NR February 20, 2013).

Acquisition

On June 28, 2016, the Company entered into a purchase agreement to acquire a 100% interest in the Huronian Gold Project ("Huronian") from Chalice Gold Mines Limited and its wholly owned subsidiary, Coventry Resources Ontario Inc., and Pele Mountain Resources Inc. and its wholly-owned subsidiary, Pele Gold Corporation (the "Vendors"). In consideration for the purchase, the Company issued the Vendors 4,000,000 common shares. The Huronian Gold Project is subject to net smelter return royalties ("NSR") ranging from 2% to 2.5% to the Vendors and legacy vendors. The Company retains a right to purchase portions of the NSRs for varying amounts to the Vendors and legacy vendors as well as a right of first refusal for the remaining NSRs.

During the year ended July 31, 2017, the Company acquired a 100% interest in a mining claim adjacent to the Huronian Gold Project. The claim is subject to a 2% NSR, of which 1% may be purchased by the Company at any time for the payment of $1,000,000.

Exploration Activities

Huronian Exploration Activities Summary
2016 - 2019 Mapping, overburden stripping and magnetic geophysical surveys.
2020 Mapping, overburden stripping and drilling.
2021 Drilling

2020 Drill Program

Table 2 - 2020 Drill Program significant results

Hole ID	From (m)	To (m)	Interval (m)	Au (g/t)	Zone
20HUR001	126.0	134.8	8.8	1.5	Fisher
including	132.0	133.7	1.7	4.6	
20HUR002	4.4	61.9	**57.5**	**1.1**	Fisher
including	6.3	11.0	**4.7**	**6.5**	
which includes	6.3	8.2	**1.9**	**9.2**	
including	57.0	61.9	4.9	2.9	
which includes	60.0	61.9	1.9	6.0	
which includes	60.8	61.9	**1.1**	**9.9**	
20HUR003	6.0	63.0	**57.0**	**1.8**	Fisher
including	6.0	20.0	**14.0**	**6.5**	
which includes	7.0	14.0	**7.0**	**12.6**	
which includes	7.0	12.2	**5.2**	**15.7**	
which includes	7.0	9.5	**2.5**	**26.0**	
which includes	7.0	8.0	**1.0**	**52.3**	
20HUR004	12.0	57.1	**45.1**	**6.2**	Fisher
including	15.6	31.1	**15.5**	**14.6**	
which includes	15.6	20.5	**4.9**	**42.1**	
which includes	18.3	20.5	**2.2**	**79.9**	
including	40.4	42.7	**2.3**	**7.6**	
including	53.4	56.2	**2.8**	**6.1**	
20HUR005	31.7	76.0	44.3	0.6	Fisher
including	70.0	76.0	6.0	2.1	
20HUR006	14.0	17.6	3.6	3.1	Fisher
20HUR007	18.1	26.0	7.9	2.2	Fisher
including	20.8	25.3	4.5	3.6	
20HUR008	72.0	79.5	7.5	0.6	Fisher
20HUR009	77.6	82.9	5.3	0.5	Fisher
20HUR010	61.0	81.2	20.2	0.6	Fisher
20HUR011	74.0	87.0	13.0	2.9	Fisher
including	74.0	74.7	**0.7**	**21.8**	
including	83.2	85.4	**2.2**	**9.3**	
20HUR012	30.5	46.0	15.5	0.5	Fisher
20HUR013				nsv	n/a
20HUR014	12.1	47.4	35.3	1.0	Fisher N
including	12.1	31.7	19.6	1.8	
which includes	27.0	31.7	4.7	7.1	
which includes	29.5	31.7	**2.2**	**14.1**	
which includes	29.5	30.7	**1.2**	**22.2**	
which includes	30.2	30.7	**0.5**	**40.7**	
20HUR015	6.4	65.0	58.6	0.5	Fisher N
including	6.4	35.3	28.9	0.9	
which includes	19.9	35.3	**15.4**	**1.6**	
which includes	19.9	22.9	**3.0**	**7.3**	
which includes	21.5	22.9	**1.4**	**14.9**	
which includes	21.5	22.3	**0.8**	**23.2**	
20HUR016				nsv	n/a

Hole ID	From (m)	To (m)	Interval (m)	Au (g/t)	Zone
20HUR017	16.0	19.2	3.2	1.0	Z17 HW
including	78.0	79.0	1.0	11.4	Z17
20HUR018	44.2	56.2	12.0	1.0	McKellar
including	44.2	50.0	5.8	2.0	
20HUR019	43.0	58.0	15.0	0.8	McKellar
20HUR020	35.9	55.0	**19.1**	**1.1**	McKellar
including	35.9	37.8	1.9	3.1	
including	46.5	48.6	2.1	3.1	
20HUR021	39.4	61.2	21.8	1.0	McKellar
20HUR022	42.5	61.1	18.6	0.6	McKellar
including	46.0	57.7	11.7	0.8	
which includes	46.0	54.5	8.5	0.9	
20HUR023	18.7	57.5	38.8	0.5	McKellar
including	37.7	57.5	19.8	0.7	
which includes	41.6	57.5	15.9	1.1	
which includes	44.0	57.5	**13.5**	**1.2**	
20HUR024	81.4	91.5	10.1	0.9	McKellar
including	81.4	89.9	8.5	1.0	
20HUR025	31.3	48.1	16.8	2.7	McKellar
including	31.3	39.4	8.1	2.6	
which includes	31.3	36.4	5.1	3.9	
which includes	31.3	33.0	1.7	10.2	
which includes	31.3	32.3	1.0	16.8	
and including	44.1	48.1	4.0	5.9	
which includes	45.0	48.1	3.1	7.5	
which includes	46.0	48.1	**2.1**	**10.9**	
which includes	46.0	47.0	1.0	22.6	
20HUR026	29.8	45.8	16.0	0.5	McKellar
including	42.2	43.0	0.8	2.3	
20HUR027	9.9	33.7	23.8	0.5	McKellar
including	9.9	11.0	1.1	6.9	
20HUR028	7.3	13.4	6.1	0.6	New
including	9.6	13.4	3.8	0.7	
which includes	10.4	13.4	3.0	0.9	
and	70.0	83.0	13.0	0.8	Huronian HW
including	78.0	83.0	5.0	2.1	
which includes	81.2	83.0	1.8	5.2	
which includes	82.0	83.0	**1.0**	**8.7**	
20HUR029	29.0	36.0	7.0	2.7	Huronian
including	29.0	29.8	0.8	7.1	
and including	34.3	36.0	1.7	7.5	
which includes	35.1	36.0	**0.9**	**13.0**	

[(1)] Widths are drill indicated core length as insufficient drilling has been undertaken to determine true widths at this time. Average grades are calculated with un-capped gold assays as insufficient drilling has been completed to determine capping levels for higher grade gold intercepts.

2021 Drill Program

In February 2021, the Company commenced an extensive drill program which has been budgeted to 20,000 metres targeting the Fisher, Fisher North, McKellar and Huronian zones, all in close proximity along an approximate 1500 m strike length in the area of the historic Huronian Mine. The area also has tremendous potential for discovery of new zones in light of the new revised mineralization model.

Fisher Zone Highlights:

The initial set of holes drilled on the Fisher Zone has been successful in extending the high-grade shoot to over 100 metres vertical depth as well as extending the overall strike length of the zone by over 150 metres. Further drilling outlined a second high-grade shoot approximately 100 metres on strike to the southwest of the previously identified high-grade shoot, showing a potential for the Fisher zone to host multiple high-grade shoots. In addition, during the drilling, the Company intercepted significant gold mineralization approximately 200 metres along strike from the earlier Kesselrun drilling. Historic drilling by previous operators identified the main shear zone for over 1000 metres along strike to the southwest but failed to intersect the Huronian type high-grade structures on a consistent basis. The Company's new mineralization model suggests historic drilling was oriented sub-parallel to those high-grade structures.

McKellar Zone Highlights:

The first set of holes drilled on the McKellar Zone drilled in 2021 Drill program was successful in extending the mineralized shoot to over 75 metres in vertical depth with multiple high-grade zones over significant widths within a wider zone of significant gold mineralization. The significant drill intercepts are shown in the Table 3 below.

Table 3 - Summary of Significant Drill Intercepts – 2021 Huronian Project

Hole ID	From (m)	To (m)	Interval (m)	Au (g/t)	Zone
21HUR030	10.6	51.8	41.2	1.4	Fisher
including	33.0	43.3	**10.3**	**4.7**	
and including	33.0	34.0	**1.0**	**14.8**	
21HUR031	21.5	44.2	22.7	2.1	Fisher
including	28.0	33.8	**5.8**	**6.8**	
and including	30.0	31.0	**1.0**	**30.4**	
21HUR032	25.1	56.6	31.5	1.9	Fisher
including	25.1	29.7	4.6	5.6	
and including	25.4	28.7	3.3	6.2	
including	46.2	50.1	**3.9**	**4.5**	
and including	49.2	50.1	**0.9**	**14.3**	
21HUR033	22.6	30.2	7.6	1.4	Fisher
21HUR034	23.8	65.9	42.1	1.9	Fisher
including	23.8	27.6	**3.8**	**5.8**	
and including	23.8	24.6	**0.8**	**16.7**	
including	52.6	56.5	**3.9**	**7.0**	
and including	52.6	54.0	**1.4**	**13.3**	
21HUR035	25.0	66.9	41.9	0.7	Fisher

Hole ID	From (m)	To (m)	Interval (m)	Au (g/t)	Zone
including	27.9	29.9	2.0	4.4	
21HUR036	46.7	62.0	15.3	0.7	Fisher
including	49.4	50.4	1.0	3.8	
21HUR037	114.0	117.5	**3.5**	**15.6**	Fisher
including	117.0	117.5	**0.5**	**99.0**	
21HUR038	91.3	92.2	0.9	2.5	Fisher
21HUR039	2.3	23.3	21.0	0.9	Fisher
including	7.2	8.9	1.7	5.4	
21HUR040	34.4	34.8	0.4	8.0	Fisher
	262.8	263.4	0.6	stope	Huronian
	263.4	266.3	**2.9**	**7.3**	
including	263.4	263.9	**0.5**	**34.2**	
21HUR041	lost hole				
21HUR042	14.5	17.8	**3.3**	**5.3**	Fisher
including	16.9	17.8	**0.9**	**17.0**	
21HUR043	nsv				Fisher
21HUR044	92.4	108.5	16.1	1.1	Fisher
including	103.0	104.0	1.0	5.8	
21HUR045	90.4	91.0	0.6	5.9	Fisher
21HUR046	70.4	71.4	1.0	2.9	Fisher
21HUR047	no significant values				
21HUR048	lost hole – re-drilled as 049				
21HUR049	no significant values				
21HUR050	lost hole – re-drilled as 051				
21HUR051	hit stope/open workings				
21HUR052	hit stope/open workings				
21HUR053	results pending				
21HUR054	115.4	119.5	**4.1**	**16.2**	Huronian
including	115.4	116.0	**0.6**	**81.5**	
21HUR056	17.7	85.5	67.8	1.6	McKellar
including	18.0	19.8	1.8	5.2	
including	43.9	85.5	41.6	2.2	
and including	63.7	66.8	3.1	4.7	
and including	72.7	78.0	5.3	3.3	
and including	79.7	85.5	5.8	7.2	
and including	79.7	83.3	3.6	9.0	
21HUR057	13.9	36.9	23.0	1.4	McKellar
including	31.7	36.4	4.7	5.5	
21HUR058	82.7	83.0	0.3	5.4	McKellar
	83.0	stope			
21HUR059	87.0	105.6	18.6	1.1	McKellar
including	90.0	91.0	1.0	7.7	
including	93.6	94.6	1.0	6.3	
21HUR060 through 21HUR066	results are pending				
21HUR067	125.9	132.5	6.6	10.4	Fisher 2
including	130.6	132.2	1.6	40.8	
including	131.9	132.2	0.3	204	

Hole ID	From (m)	To (m)	Interval (m)	Au (g/t)	Zone
21HUR068	148.0	152.6	4.6	5.8	Fisher 2
including	151.0	152.6	1.6	15.8	
21HUR069	142.7	149.4	6.7	6.4	Fisher 2
including	142.7	144.0	1.3	26.4	
including	142.7	143.0	0.3	113	
21HUR070 through 21HUR077	results are pending				

(1) *Widths are drill indicated core length as insufficient drilling has been undertaken to determine true widths at this time. Average grades are calculated with un-capped gold assays as insufficient drilling has been completed to determine capping levels for higher grade gold intercepts.*

Huronian Gold Project Acquisition and Exploration Costs

Table 4. Huronian Gold Project acquisition and exploration costs

	April 30, 2021	July 31, 2020
Balance, beginning	$ 2,062,671	$1,825,125
Deferred exploration expenditures		
Assaying	136,860	5,512
Camp and travel	145,985	27,065
Claim maintenance	80	1,618
Drilling	1,008,406	-
Equipment use/rental	74,650	61,063
Geology	337,504	142,288
Sub-total, deferred exploration expenditures	1,703,485	237,546
Balance, ending	$ 3,766,156	$ 2,062,671

BLUFFPOINT GOLD PROJECT

Location and General Description

The Bluffpoint Gold Project is located in the Bluffpoint Lake Area in the Kenora Mining Division of Northwestern Ontario, approximately 60 km north of the town of Fort Frances and 80 km southwest of the town of Dryden. The Bluffpoint Gold Project is centred on UTM NAD 83 Zone 15N 472,000 m E, 5,448,000 m N within NTS Map Sheet 52F/03. The Bluffpoint Gold Project is approximately 8,857 hectares in size and comprised of 11 boundary cell mining claims and 269 single cell mining claims. The Bluffpoint Gold Project is owned 100% by the Company subject to various net smelter returns royalties.

The Bluffpoint Gold Project is situated in the Pipestone-Cameron-Manitou Greenstone Belt and the Lawrence Lake Batholith located in the Wabigoon Subprovince of the Archean Superior Province. The Bluffpoint Gold Project hosts two distinct styles of gold mineralization; granitic hosted and greenstone hosted gold. The granitic hosted gold mineralization has been the focus of the majority of the Company's exploration activities centred around Northern, Homestake and Southern zones.

Acquisition

On March 31, 2012, the Company entered into Property Option Agreement (the "Option Agreement") with Michael Thompson (the "Initial Optionor") to acquire up to a 100% interest in 56 mining claims covering 11,408 hectares located in Bluffpoint Lake Township, with portions extending into the townships of Lawrence Lake, Napanee Lake and Barker Bay in the Kenora Mining Division of Northwestern Ontario (the "Bluffpoint Property").

The original Option Agreement contained two options. The first option allowed the Company to acquire a 60% undivided interest in the Bluffpoint Property by issuing 4,000,000 common shares and paying the Initial Option $200,000 within a two-year period. The second option allowed the Company to acquire a further 40% interest in the Bluffpoint Property by making an additional payment of $200,000 and issuing 2,000,000 common shares.

On April 30, 2013, in a private transaction, the Initial Optionor assigned 2/3's of his interest in the Option Agreement to Caitlin Jeffs and Neil Pettigrew (collectively referred to hereafter as the "Optionors").

On April 30, 2013, the Optionors and the Company agreed to amend the Option Agreement reducing the cash payment and share issuance requirements for the Company to earn a 100% interest in the Bluffpoint Property. As per amended Option Agreement, the Company was granted an exclusive right to acquire 100% interest in Bluffpoint Property by paying an additional $200,000 and issuing an additional 2,000,000 common shares to the Optionors. The option was exercised on September 24, 2013, upon receiving an approval from TSX Venture Exchange.

The Bluffpoint Property is subject to a net smelter returns royalty (the "NSR") payable to the Optionors equal to a 2.0% NSR, of which 1.0% may be purchased by the Company at any time for the payment of $1,000,000; leaving the Optionors with a final 1.0% NSR. If the Optionors decide to dispose of the remaining 1.0% NSR, the Company shall have the first right of refusal to acquire that remaining 1% NSR on the same terms and conditions that the Optionors propose to dispose of their NSR. If the Optionors propose to dispose of their NSR, the Optionors shall deliver to the Company written notice of the Optionors' intention to dispose of their NSR and the terms of the proposed disposition.

During Fiscal 2019, the Company acquired 96 units, approximately 3,210 hectares in size; an additional 65 units, approximately 1,040 hectares in size, were acquired during the current period. The new claims were acquired in the names of Michael Thompson, the CEO of the Company, and Caitlin Jeffs, a director of the Company, who are holding these claims for the benefit of the Company**.**

As part of the maintenance of the Bluffpoint Property, the Company may stake additional claims adjacent to its Bluffpoint Property, or allow some of the claims, with least geological potential not warranting further development, to expire.

Exploration Activities

Bluffpoint Exploration Activities Summary
2012 – 2015 Mapping, soil sampling, overburden stripping and drilling.
2016 – 2017 Mapping, overburden stripping.
2018 - 2020 no exploration work conducted.

Bluffpoint Gold Project Acquisition and Exploration Costs

Table 5. Bluffpoint Gold Project acquisition and exploration costs

	April 30, 2021	July 31, 2020
Balance, beginning	$ 659,553	$ 659,553
Acquisition costs and deferred exploration expenditures during the period	-	-
Balance, ending	$ 659,553	$ 659,553

QUALITY ASSURANCE (QA/QC)

The Company implemented a quality control program to comply with industry best practices for sampling, chain of custody, and analyses. Certified gold reference standards, blanks and duplicates are inserted at the core processing site as part of the QA/QC program in addition to the control samples inserted by the lab. Samples are prepared and analyzed by Activation Laboratories in Thunder Bay. Samples are analyzed for gold using Fire Assay-AA techniques. Samples returning over 10 g/t gold are analyzed using Fire Assay-Gravimetric methods. Selected samples are also analyzed with a standard 1 kg metallic screen fire assay. All results reported herein have passed QA/QC protocols.

The planning, execution, and monitoring of the Company's quality control programs are under the supervision of Michael Thompson, P. Geo., President and Chief Executive Officer of Kesselrun.

COMMITMENTS

In order to keep the Huronian Gold Project and Bluffpoint Gold Project in good standing, the Company is required to complete certain annual exploration activities. The cost of these exploration activities is determined based on the size of the claims. The Company continuously monitors status of its claims; and should it decide that the exploration of certain claims within a property is not in the Company's best interests at any given year, the Company retains the right to drop such claims.

QUALIFIED PERSON

Michael Thompson, P. Geo., President and Chief Executive Officer of Kesselrun, is the Qualified Person responsible for the Bluffpoint Property and the Huronian Property projects as defined by National Instrument 43-101.

SELECTED FINANCIAL INFORMATION

Table 6. Comparison of financial condition

	Nine months Ended April 30, 2021	Year ended July 31, 2020
Net and comprehensive income/(loss)	$ (1,112,369)	$ 170,273
Income/(loss) per share – basic and diluted	$ (0.02)	$ 0.00
Total assets	$ 9,122,027	$ 4,486,016

RESULTS OF OPERATIONS

During the three-month period ended April 30, 2021, the Company reported a net loss of $127,216 as compared to net loss of $105,357 the Company incurred during the three-month period ended April 30, 2020. The Company's total operating expenses during the three-month period ended April 30, 2021, were $173,507, an increase of $106,452 as compared to $67,055 the Company reported for the three-month period ended April 30, 2020. The largest component of operating expenses, which contributed to increased expenses, was associated with advertising and promotional activities which, for the three-month period ended April 30, 2021, amounted to $62,037, an increase of $57,582 as compared to the three-month period ended April 30, 2020. The other factors contributing to the increase in operating expenses were associated with increased management fees which, for the three-month period ended April 30, 2021, amounted to

$37,500, an increase of $22,500 as compared to the three-month period ended April 30, 2020, and with $26,032 the Company incurred in consulting fees, which increased by $5,032, from $21,000 the Company incurred during the three-month period ended April 30, 2020. The Company's accounting and administration fees increased by $6,400, and $6,000, respectively to $13,400 and $12,000 for the three-month period ended April 30, 2021, and office expenses and filing fees increased by $6,626 and $6,343 to $7,411 and $12,475, respectively.

In addition to the regular business operating expenses, the Company's overall net loss for the three-month period ended April 30, 2021, was effected by $104,100 unrealized loss on the Company's marketable securities represented by First Mining Shares ("FF Shares") (2020 –$24,350). In addition, the Company accrued $2,031 in interest payable on the note payable the Company issued to Fladgate Exploration Consulting Corporation ("Fladgate") (2020 - $1,897). These increases were in part offset by $152,422 gain on settlement of flow-through share premium liabilities associated with brokered private placement financing the Company closed on December 7, 2020 (the "December Financing").

During the nine-month period ended April 30, 2021, the Company reported a net loss of $1,112,369 as compared to net loss of $352,529 the Company incurred during the nine-month period ended April 30, 2020. The Company's total operating expenses during the nine-month period ended April 30, 2021, were $1,018,542, an increase of $819,077 as compared to $199,465 the Company reported for the nine-month period ended April 30, 2020. The largest factor that contributed to the increase in operating expenses was attributed to $471,601 increase in share-based compensation. During the nine-month period ended April 30, 2021, the Company granted options to acquire up to 650,000 shares of its common stock at $0.30 per share and 1,600,000 shares of its common stock at $0.40 per share to its directors, officers and consultants, which resulted in $495,343 in share-based compensation, whereas during the nine-month period ended April 30, 2020, the Company granted options to acquire up to 500,000 shares of its common stock at $0.05 per share to its directors, officers and a consultant, which resulted in $23,742 in share-based compensation. The other factors contributing to the increase in operating expenses were associated with increased advertising and promotional activities, which for the nine-month period ended April 30, 2021, amounted to $137,267, as compared to $4,455 the Company incur during the nine-month period ended April 30, 2020; increased fees for consulting services, which for the nine-month period ended April 30, 2021, amounted to $112,532, an increase of $49,532 as compared to the nine-month period ended April 30, 2020; increased fees for management services, which for the nine-month period ended April 30, 2021, amounted to $90,000, an increase of $45,000 as compared to the nine-month period ended April 30, 2020; and increased legal fees of $67,215, an increase of $67,125 as compared to $90 the Company incurred during the nine-month period ended April 30, 2020. The Company's office expenses and filing fees increased by $12,489, and $21,972, respectively to $15,589, and $36,045 for the nine-month period ended April 30, 2021. The accounting and audit fees increased by $11,704 to $33,065 for the nine-month period ended April 30, 2021, and the administration fees increased by $12,000, to $30,000 for the same period.

In addition to the regular business operating expenses, the Company's overall net loss for the nine-month period ended April 30, 2021, was effected by $277,600 unrealized loss on the Company's marketable securities represented by FF Shares (2020 –$138,575), which resulted from a decrease in price of FF Shares from $0.495 at July 31, 2020, to $0.335 at April 30, 2021. In addition, the Company accrued $6,107 in interest payable on the note payable the Company issued to Fladgate (2020 - $5,659). These decreases were in part offset by $7,905 realized gain on the sale of marketable securities (2020 - $8,830 loss), and by $181,975 gain on settlement of flow-through share premium liabilities associated with the December Financing.

Summary of Quarterly Results

Results for the most recently completed financial quarters are summarized in the tables below:

Table 7. Summary of quarterly results

Period ended	Net and comprehensive income/(loss)	Income/(loss) per share; basic and diluted
April 30, 2021	$ (127,216)	$ (0.00)
January 31, 2021	$ (442,380)	$ (0.01)
October 31, 2020	$ (542,773)	$ (0.01)
July 31, 2020	$ 522,802	$ 0.01
April 30, 2020	$ (105,357)	$ (0.00)
January 31, 2020	$ (49,586)	$ (0.00)
October 31, 2019	$ (197,586)	$ (0.01)
July 31, 2019	$ (43,160)	$ (0.00)

Liquidity and Capital Resources

As at April 30, 2021, the Company had $3,789,696 (July 31, 2020 - $770,570) in cash, current assets of $4,696,318 (July 31, 2020 - $1,763,792) and current liabilities of $1,033,334 (July 31, 2020 - $602,248) with working capital of $3,662,984 (July 31, 2020 – $1,161,544). The largest component of the Company's current assets was attributed to $3,789,696 cash of which $2,680,112 was associated with Flow-through funds the Company can spend only on qualified exploration expenditures. Other current assets included $581,225 equity investment in 1,735,000 FF Shares (July 31, 2020 - $957,825 equity investment in 1,935,000 FM Shares), GST receivable totalling $153,085 (July 31, 2020 - $7,940), and prepaid expenses totalling $172,312 (July 31, 2020 - $27,457). During the nine-month period ended April 30, 2021, the Company's operations were supported by $5,508,622 net proceeds from the brokered private placement financing the Company closed on December 7, 2020, by $106,905 cash received from the sale of 200,000 FM Shares, and by $191,938 the Company received on exercise of warrants to acquire 1,599,482 shares of the Company's common stock.

Aside from the sale of FM Shares and cash generated on potential exercise of outstanding warrants, the Company does not have any additional sources of immediate cash flows. Should the Company require additional financing to continue exploration of its current mineral claims, acquire additional claims, and to support general operating activities, the Company may sell any part of its equity investment in FF Shares, or may choose to offer its equity securities, primarily through private placements for cash.

The Company has not pledged any of its assets as security for loans, or otherwise is not subject to any debt covenants. Based on current information, the Company anticipates that its working capital is sufficient to meet its expected ongoing obligations for the coming year.

Transactions with Related Parties

Related parties include the directors, officers, key management personnel, close family members and entities controlled by these individuals. Key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the Company as a whole.

During the nine-month periods ended April 30, 2021 and 2020, the Company had the following transactions with related parties:

Table 8. Related Party Transactions

	Nine months ended April 30, 2021	2020
Fladgate, for exploration and evaluation expenditures [1]	$ 1,703,405	$ 138,406
Da Costa Management Corp., for accounting, consulting, and administrative services [2]	$ 83,250	$ 54,000
Flyrock Capital, for management fees [3]	-	$ 45,000
Fairtide Ventures, for management fees [4]	$ 90,000	-
Share-based compensation on options granted to certain directors and officers of the Company	$ 217,175	$ 22,033

(1) Fladgate is a full-service geological consulting firm with over 30 employees/contractors, which conducts all mineral exploration activities on behalf of the Company. Fladgate invoices the Company periodically when exploration is active at competitive industry standard rates. Fladgate is part owned by Michael Thompson, Chief Executive Officer and a director of Kesselrun, and Caitlin Jeffs, a director of Kesselrun, each owning 33.33% of Fladgate.

(2) Da Costa Management Corp. is a private company owned by John da Costa, Chief Financial Officer and a director of Kesselrun.

(3) Flyrock Capital (1796795 Ontario Inc.) is a private company owned by Michael Thompson.

(4) Fairtide Ventures is a private company jointly owned by Michael Thompson and Caitlin Jeffs.

The balances due to related parties consist of amounts owed directly to the officers and directors of the Company and to private companies controlled by the officers and directors of the Company. These amounts are unsecured, non-interest bearing and due on demand. At April 30, 2021, the balance payable to related parties was $229,820 (2020 - $485,936).

At April 30, 2021, the Company was indebted to Fladgate Exploration Consulting Corporation, a private company controlled by certain directors and officers of the Company, in the amount of $105,481 (2020 - $99,374) under the loan payable. The loan bears interest at 8% per annum compounded monthly, is unsecured and due on demand. During the nine-month period ended April 30, 2021, the Company recorded interest expense of $6,107 (2020 - $5,659).

OUTSTANDING SHARE DATA

As at the date of this MD&A, the following securities were outstanding:

Table 9. Share Data

Type	Amount	Conditions
Common shares	76,091,658	Issued and outstanding
Warrants	1,600,000	Exercisable into 1,600,000 common shares at a price of $0.12 per share until July 10, 2021
Broker Warrants	238,700	Exercisable into 238,700 common shares at a price of $0.12 per share until July 10, 2021
Warrants	8,659,364	Exercisable into 8,659,364 common shares at a price of $0.33 per share until December 7, 2022

Type	Amount	Conditions
Broker Units	1,568,891	Exercisable into 1,568,891 broker units at a price of $0.22 per share until December 7, 2022. Each broker unit entitles the holder to acquire one common share and 1/2 of one warrant, exercisable at $0.33/warrant share
Broker Unit Warrants	784,446	These broker unit warrants are issuable on exercise of Broker Units. Broker unit warrants are exercisable into 784,446 common shares at a price of $0.33 per share until December 7, 2022
Stock options	1,350,000	Exercisable into 1,350,000 common shares at a price of $0.10 per share until December 21, 2022
Stock options	400,000	Exercisable into 400,000 common shares at a price of $0.05 per share until January 16, 2025
Stock options	450,000	Exercisable into 450,000 common shares at a price of $0.30 per share until August 10, 2025
Stock options	1,000,000	Exercisable into 1,000,000 common shares at a price of $0.40 per share until January 6, 2026
	92,143,059	Total shares outstanding (fully diluted)

Brokered Private Placement

On December 7, 2020, the Company closed the December Financing for total gross proceeds of $5,999,969. As part of the December Financing, the Company sold 9,920,501 units of the Company (the "Units") at a price of $0.22 per Unit for gross proceeds of $2,182,510; 6,244,000 flow-through common shares of the Company (the "FT Shares") at a price of $0.25 per FT Share for gross proceeds of $1,561,000; and 7,398,227 flow-through units of the Company (the "FT Units"), which were sold to charitable flow-through purchasers, at a price of $0.305 per FT Unit for gross proceeds of $2,256,459.

Each Unit is comprised of one common share in the capital of the Company (each a "Common Share") and one half of one Common Share purchase warrant (each whole warrant, a "Warrant"). Each FT Unit is comprised of one FT Share and one half of one Warrant. Each whole Warrant shall be exercisable into one Common Share at a price of $0.33 at any time on or before December 7, 2022.

In connection with the December Financing, Red Cloud Securities Inc. ("Red Cloud"), which acted as sole agent and bookrunner under the Offering, received a cash commission of $389,128 and 1,512,891 non-transferable agent warrants, each entitling Red Cloud to purchase one Unit of the Company at a price of $0.22 per Unit until December 7, 2022. Red Cloud was also paid a financial advisory fee of $12,320 and issued 56,000 advisory warrants having the same terms and conditions as the agent warrants. In addition, the Company recorded $89,899 in cash share issuance costs associated with the December Financing.

The net proceeds raised from the December Financing will be used for the exploration and advancement of the Huronian and Bluffpoint projects and for general working capital purposes. Proceeds from the sale of FT Shares and FT Units will be used to incur "Canadian exploration expenses" as defined in subsection 66.1(6) of the Income Tax Act and "flow through mining expenditures" as defined in subsection 127(9) of the Income Tax Act.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

SIGNIFICANT ACCOUNTING POLICIES

All significant accounting policies adopted by the Company have been described in the notes to the audited financial statements for the year ended July 31, 2020.

New accounting standards and interpretations

A number of new accounting standards, amendments to standards, and interpretations have been issued but not yet effective up to the date of issuance of the Company's unaudited condensed interim financial statements. The Company intends to adopt the standards when they become effective. The Company has not yet determined the impact of these standards on its financial statements, but does not anticipate that the impact will be significant.

RISKS AND UNCERTAINTIES

The Company's activity of natural resource exploration is considered to be very high risk. Companies in this industry are subject to many and varied kinds of risks, including, but not limited to, environmental, commodity prices, political and economic, with some of the most significant risks and uncertainties affecting the Company being the following, in addition to other risks disclosed in this MD&A:

- Substantial expenditures are required to explore for mineral reserves and the chances of identifying economical reserves are extremely small;
- The Company expects to continue to incur losses from operations unless and until such time as any of its mineral properties enter into commercial production and generate sufficient revenues to fund its continuing operations;
- The junior resource market, where the Company raises funds, is extremely volatile and there is no guarantee that the Company will be able to raise funds as and when required;
- Although the Company has taken steps to verify title to the mineral properties in which it has an interest, there is no guarantee that the property will not be subject to title disputes or undetected defects;
- The Company is subject to the laws and regulations relating to environmental matters, including provisions relating to reclamation, discharge of hazardous material and other matters. The Company conducts its exploration activities in compliance with applicable environmental protection legislation and is not aware of any existing environmental problems related to its properties that may cause material liability to the Company; and
- The Company is cognizant of the rapid expansion of the COVID-19 pandemic and the resulting global implications. To date, there have been no disruptions to the Company's day-to-day operations. However, the Company cautions that the potential future impact of any restrictions on the Company's operations is currently unknown but could be significant.

Financial Instruments

Fair value

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

The fair value of cash and marketable securities is measured based on level 1 inputs of the fair value hierarchy. The estimated fair value of financial liabilities approximates their carrying values due to the short-term nature of these instruments.

Capital management

The Company manages its capital to safeguard the Company's ability to continue as a going concern, to ensure future benefits to stakeholders, and to have sufficient funds on hand for business opportunities as they arise.

The Company considers the items included in share capital as capital. The Company manages the capital structure and adjusts it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares through short-term prospectuses, private placements, sell assets, incur debt, or return capital to shareholders. As at the date of the filing of this MD&A, the Company does not have any debt that is subject to externally imposed capital requirements.

The Company is exposed to various financial instrument risks and assesses the impact and likelihood of this exposure. These risks include liquidity risk, credit risk, and market risk. Where material, these risks are reviewed and monitored by the Board of Directors.

a) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company ensures that there are sufficient funds to meet its short-term business requirements, considering its anticipated cash flows from operations and its holdings.

b) Credit risk

Credit risk is the risk of potential loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is limited to the carrying amount on the statement of financial position and arises from the Company's cash, which is held with a high-credit quality financial institution. As such, the Company's credit risk exposure is minimal.

c) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and equity prices.

i. Currency risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company has minimal financial risk arising from fluctuations in foreign exchange rates as the Company does not own foreign currency denominated financial assets or liabilities.

ii. Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to maintain liquidity, the Company invests its flow-through cash at floating rates of interest in cash equivalents. There is a minimal risk that the Company would recognize any loss as a result of a decrease in the fair value of any guaranteed bank investment certificates included in cash as they are generally held with large financial institutions.

iii. Equity Price risk

Equity price risk is the risk that the fair value of equity/securities decreases as a result of changes in the levels of equity indices and the value of individual stocks. The Company is exposed to equity price risk as a result of its investments in marketable securities.

CONTINGENCIES

There are no contingent liabilities.

ADDITIONAL INFORMATION

Additional information concerning the Company and its operations is available on SEDAR at www.sedar.com.