GENERATIONMINING

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE THREE MONTHS ENDED MARCH 31, 2021 AND 2020

This Management's Discussion and Analysis ("MD&A") reviews the condensed consolidated interim financial statements of operations of Generation Mining Limited and its wholly owned subsidiary company (together "Generation" or the "Company") for the three months ended March 31, 2021. The MD&A was prepared as of May 11, 2021 and should be read in conjunction with the consolidated financial statements for the three months ended March 31, 2021 and 2020, and the December 31, 2020 year end audited consolidated financial statements including the notes thereto, prepared in accordance with the International Financial Reporting Standards or ("IFRS"). Certain non-IFRS measures are included in this MD&A and are outlined on page 24. The disclosure contained in this MD&A has been approved by the board of directors of the Company. All figures are in Canadian dollars unless stated otherwise. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

This MD&A includes certain statements that may be deemed "forward-looking statements". All statements in this discussion, other than statements of historical fact, that address future exploration activities and events or developments that the Company expects, are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Forward-looking statements should be read in conjunction with the risk factors described in the "Risk Factors" and "Cautionary Note Regarding Forward Looking Information" sections at the end of this MD&A and as described in the Company's Annual Information Form ("AIF") for the year ended December 31, 2020.

OVERVIEW

The Company is an exploration and development stage company focused on the Marathon Palladium and Copper project located in Marathon, Ontario Canada (the "Marathon Property" or "Marathon Project"). The Company acquired its initial 51% interest in the Marathon Property in July 2019 through a joint venture (the "Marathon Joint Venture") with Stillwater Canada Inc., a subsidiary of Sibanye Gold Limited, trading as Sibanye-Stillwater ("Sibanye"). Sibanye is a leading international precious metals mining company, with a diverse portfolio of operations in the United States and Southern Africa. In November 2020 Generation satisfied its additional earn in conditions and increased its ownership position in the Marathon Joint Venture from 51% to 80% subject to typical funding and dilution provisions provided under the Marathon Joint Venture agreement. The additional earn in conditions consisted of filing a preliminary economic Assessment ("PEA") which was completed in February 2020 and spending $10 million on the Marathon Project which was completed in November 2020. On March 25, 2021, the Company filed on SEDAR a National Instrument 43-101 Feasibility Study titled "Feasibility Study Marathon Palladium & Copper Project Ontario, Canada" with an effective date of March 3, 2021. The Company also commenced an Environmental Assessment in 2020.

The Company was incorporated under the Business Corporations Act (Ontario) on January 11, 2018. Its registered office is located at 100 King Street West, Suite 7010, Toronto, Ontario M5X 1B1. The Company's common shares trade on the Toronto Stock Exchange ("TSX") under the symbol GENM and OTCQB Venture Marketplace under the symbol GENMF. The Company also has a number of other exploration properties located in Canada.

Scientific and technical information contained in this MD&A relating to mineral reserves, mineral resources and exploration results was reviewed and approved by Drew Anwyll, P.Eng., M.Eng., Chief Operating Officer of the Company, and Rod Thomas, P.Geo., Director and Vice President, Exploration of the Company, each a "Qualified Person" under National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101").

Readers are referred to the NI 43-101 technical report for the Marathon Project entitled, "Feasibility Study Marathon Palladium & Copper Project Ontario, Canada" (the "Feasibility Study") dated March 23, 2021, prepared by Antoine Champagne, ing., Paul Murphy, ing., Louis-Pierre Gignac, ing., each of G-Mining Services Inc., Robert Raponi, P.Eng., of Ausenco Engineering Canada Inc. and Haggarty Technical Services, Eugene Puritch, P.Eng., FEC, CET, of P&E Mining Consultants Inc., and Craig Hall, P.Eng., of Knight Piésold Ltd. and WESC Inc., which is incorporated by reference herein. Readers are encouraged to review the full text of the Feasibility Study, available for review under the Company's profile on SEDAR at www.sedar.com. The Feasibility Study supports the scientific and technical information set out in this MD&A.

TECHNICAL HIGHLIGHTS

- Completed a National Instrument 43-101 Feasibility Study titled Feasibility Study Marathon Palladium & Copper Project Ontario, Canada dated March 23, 2021 ("Feasibility Study"). The Feasibility Study established a compelling base case assessment for the development of the Marathon Palladium and Copper Mineral Reserve by open pit mining. The project generates an after-tax internal rate or return ("IRR") of 29.7% and an after-tax net present value ("NPV") of $1.07 billion at a 6% discount rate.
- In the period from June through December 2020, a two-phase metallurgical test program was undertaken. The test programs consisted of bench scale and lock-cycle test along with a pilot plant. The program was successful to validate the optimized process plant flowsheet and circuit design and was also successful to determine the geo-metallurgical recovery curves to be used in the Feasibility Study.
- In June 2020, the Company restarted the Environment Impact Assessment ("EIS") review and approval process for the Marathon Project with Federal and Provincial Government Agencies. The initial volume of the EIS was completed in January 2021 and the the second volume in April 2021. The EIS provides an outline and analysis of key elements of the Project design, the environmental, economic and social components along with the mitigation, controls and benefits that will be present over the life-cycle of the Project from construction to final closure. The Project is being assessed in accordance with the Canadian Environmental Assessment Act (CEAA, 2012) and Ontario's Environmental Assessment Act through a Joint Review Panel ("JRP" or "Panel"). The JRP is a single Environmental Assessment ("EA") process that is harmonized with the Federal and Ontario provincial governments.
- In May 2021, the Company provided an update on the winter exploration program and the planned summer program. The winter program consisted of three completed holes over approximately 2,000 metres. Drilling was focused on evaluation the potential for high grade, ramp accessible resources which potentially extend the life of the proposed operation. Highlights include three high grade intercepts consisting of 3.19 g/t Pd over 4 m in Hole 553 from 470 m to 474 m, 4.3 g/t Pd over 4 m in Hole 554 from 410 m to 414 m and, also in Hole 554, 3.06 g/t Pd over 4 m from 450 m to 454 m. These intercepts sit within a broad zone of mineralization at least 100 m wide and approximately 50 to 100 metres thick and some 300 m down dip from the western margins of the Marathon Deposit.

CORPORATE HIGHLIGHTS

- On April 30, 2021, the management committee of the joint venture approved by majority the Company's Feasibility Study filed on March 25, 2021 and the Company and Stillwater entered into a waiver and extension agreement where the management committee temporarily deferred consideration of a "commercial production decision", as such term is defined in the joint venture agreement, until July 22, 2021 (the "Commercial Production Decision Date"). As a result, the parties have agreed that Stillwater will have until the Commercial Production Decision Date to elect to exercise its rights under the joint venture agreement to increase its ownership interest in the Marathon Project.

- During the first quarter the Company and Biigtigong Nishnaabeg ("BN") signed an Agreement in Principle which outlines the framework for a Community Benefit Agreement (CBA). BN has been an integral part of the environmental assessment process and Marathon Project planning. Formalizing the long-term relationship with an Agreement in Principle signals the community leadership's support, in principle, for the Marathon Project and the Company's commitment to provide community benefits including training, jobs, business opportunities and financial participation.
- Jennifer Wagner joined the Company's board of directors in February 2021. Ms. Wagner is a lawyer with extensive experience in the corporate mining sector. She is currently Executive Vice-President, Corporate Affairs and Sustainability at Kirkland Lake Gold Ltd., holding various positions there for five years.

MARATHON PROPERTY ACQUISITION AND JOINT VENTURE

On July 10, 2019, the Company, through Generation PGM, completed the acquisition of a 51% initial interest in the Marathon Palladium Copper deposit near Marathon, Ontario and entered into the Marathon Joint Venture with Sibanye. The Company paid $3,000,000 in cash and issued 11,053,795 common shares of the Company at a deemed price of $0.2714 per common share (totaling $3,000,000), for total consideration of $6,000,000. Pursuant to the Marathon Joint Venture Generation Mining had the right to increase its interest in the Marathon Property to 80% by sole funding $10,000,000 in exploration, evaluation and development expenditures and preparing a preliminary economic assessment ("PEA") within four years ("Ownership Increase Right"). On February 19, 2020, the Company filed a PEA and in November 2020, incurred $10,000,000 in exploration and evaluation expenditures fulfilling the Ownership Increase Right. On November 27, 2020, the Company increased its ownership interest to hold an 80% interest in the Marathon Property. On December 14, 2020, Stillwater elected to forgo its proportionate share of joint venture funding and dilute its interest in the Marathon Joint Venture pursuant to the provisions of the Marathon Joint Venture Agreement ("Dilution Provisions"). Pursuant to the Dilution Provisions Generation Mining holds a 81.7% and Stillwater holds a 18.3% interest in the joint venture as at March 31, 2020. Upon completion of a definitive feasibility study and the management committee of the joint venture making a positive commercial production decision, Sibanye will have 90 days to exercise an option to increase its interest in the Marathon Joint Venture to 51% by agreeing to pay three times the expenditures forgone pursuant to the Dilution Provisions and funding 31% of the total capital cost estimated by a feasibility study. On March 25, 2021, the Company filed on SEDAR a National Instrument 43-101 Feasibility Study titled "Feasibility Study Marathon Palladium & Copper Project Ontario, Canada" with an effective date of March 3, 2021.

On April 30, 2021, the management committee of the joint venture approved by majority vote the Company's Feasibility Study filed on March 25, 2021 and the Company and Stillwater entered into a waiver and extension agreement where the management committee temporarily deferred consideration of a "commercial production decision", as such term is defined in the joint venture agreement, until July 22, 2021 (the "Commercial Production Decision Date"). As a result, the parties have agreed that Stillwater will have until the Commercial Production Decision Date to elect to exercise its rights under the joint venture agreement to increase its ownership interest in the Marathon Project.

The Company is currently the operator of the joint venture unless its interest in the joint venture reduces to a minority interest.

FEASIBILITY STUDY

On March 3, 2021, the Company announced the results of a Feasibility Study for the Marathon Palladium and Copper Project. On March 25, 2021, the Company filed the NI 43-101 titled Feasibility Study Marathon Palladium & Copper Project Ontario, Canada on SEDAR. All dollar amounts are in Canadian dollars, stated on a 100% project ownership basis, and based on the base case analysis unless otherwise noted.

Feasibility Study Highlights [(3)]

- Robust economics: Internal Rate of Return ("IRR") (after-tax) of 29.7% and a Net Present Value ("NPV") (6%) of $1.07 billion based on a long-term price of US$1,725/oz for palladium and US$3.20/lb for copper,
- Using spot metal prices[1]: IRR of 47%, NPV6% of $2.02 billion and payback of 1.5 years using spot prices of US$2,395/oz for palladium and US$3.99/lb for copper,
- Quick payback on low Initial Capital: $665 million (US$520 million) net of equipment financing and a 2.3-year payback period,
- Low operating costs and attractive AISC: LOM average cash costs of US$687/PdEq oz[2] and all-in sustaining costs (AISC) of US$809/PdEq oz[2],
- Payable metals: 1.9 M oz palladium, 467 M lbs copper, 537,000 oz platinum, 151,000 oz gold and 2.8 M oz silver,
- First three years of production following commercial production: $979 million of free cash flow, Payable metal: 588,000 oz of palladium and 122 M lbs of copper from approximately 270,000 tonnes of Cu-Pd concentrate shipped,
- The Project is expected to generate direct corporate taxes and duties to the provincial and federal governments of $944 million.

The Feasibility Study was prepared by G Mining Services Inc. ("GMS"), along with contributions from Ausenco Engineering Canada Inc. ("Ausenco"), Haggarty Technical Services ("HTS"), Knight Piésold Ltd. ("KP"), WESC Inc. and P&E Mining Consultants Inc. ("P&E").

Key results and assumptions used in the Feasibility Study are summarized in the table below.

Price Assumptions [(a)]	Units	Base Case
Palladium	US$/oz	**$1,725**
Copper	US$/lb	**$3.20**
Platinum	US$/oz	**$1,000**
Gold	US$/oz	**$1,400**
Silver	US$/oz	**$20.00**
Exchange Rate	C$/US$	**1.28**
Diesel Fuel	$/L	**0.77**
Electricity	$/kWhr	**0.08**

Note:[(a)]Commodities listed in order of revenue.

[1] *Spot Price on 22 February 2021: Pd = US$2,395/oz; Cu = US$3.99/lb; Pt = US$1,268/oz; Au = US$ 1,807/oz; Ag = US$27.45/oz; Pd, Pt, Au and Ag prices sourced LBMA; Cu price sourced on LME Copper; C$/US$ exchange rate = 1.266, sourced Bank of Canada prior week average ending 22 Feb. 2021*

[2] *PdEq grade is calculated based on:* $((Pd\ US\$1{,}725/31.10348\ x\ Pd\ grade\ g/t\ + Cu\ US\$3.20/2204.6\ x\ Cu\ grade\ \%/100 + Au\ US\$1{,}400/31.10348\ x\ Au\ grade\ g/t + Pt\ US\$1{,}000/31.10348\ x\ Pt\ grade\ g/t + Ag\ US\$20/31.10348\ x\ Ag\ grade\ g/t))/(Pd\ US\$1{,}725/31.10348)$

[3] *Certain non-IFRS measures are included in this MD&A and are outlined on page 24.*

Operating Data	Units	Pre-Production	Operations	Total
Mine life	years	2	12.6	14.6
Total Milled Tonnes	Mt	1.9	115.8	117.7
Total Mined Tonnes	Mt	25.4	421.8	447
Strip Ratio	waste:ore	3.33	2.77	2.80
Metal Production[1]	**Units**	**Recovered Metals**	**Payable Metal**	**% of Revenue**
Palladium	k oz	2,028	1,905	58.7%
Copper	M lbs	493	467	26.8%
Platinum	k oz	634	537	9.6%
Gold	k oz	183	151	3.8%
Silver	k oz	3,796	2,823	1.0%

Note: [1] LOM metal production including pre-production period.

Capital Costs	Units	
Initial Capital[2]	$M	**665**
LOM Sustaining Capital	$M	**423**
LOM Total Capital	$M	**1,087**
Closure Costs	$M	**66**

Note:[2] Initial Capital shown after equipment financing.

Operating Costs	Units	
Mining[3]	$/t mined	**2.53**
Processing	$/t milled	**9.08**
General & Administration	$/t milled	**2.48**
Transport & Refining Charges	$/t milled	**2.80**
Royalties	$/t milled	**0.03**
Total Operating Costs	$/t milled	**23.63**
LOM Average Operating Cost	US$/oz PdEq	**687**
LOM Average AISC	US$/oz PdEq	**809**

Note: Refer to Non-IFRS Financial Measures at the end of the MD&A.
[3] Mining cost also noted as $9.23/tonne milled.

Economic Analysis Base Case	Units	Base Case	Spot Price[4]
Pre-tax Undiscounted Cash Flow	$M	**3,004**	**5,305**
Pre-tax NPV6%	$M	**1,636**	**3,042**
Pre-tax IRR	%	**38.6**	**59.9**
Pre-tax Payback	years	**1.9**	**1.2**
After-tax Undiscounted Cash Flow	$M	**2,060**	**3,626**
After-tax NPV6%	$M	**1,068**	**2,025**
After-tax IRR	%	**29.7**	**46.5**
After-tax Payback	years	**2.3**	**1.5**

Note:[4] Spot Price on 22 February 2021: Pd = US$2,395/oz; Cu = US$3.99/lb; Pt = US$1,268/oz; Au = US$1,807/oz; Ag = US$27.45/oz; Pd, Pt, Au and Ag prices sourced LBMA; Cu price sourced on LME Copper.

Mining

Mining methods will employ conventional open pit, truck and shovel operating practice. Three pits will be mined over the 13-year mine life, with an additional two years of pre-production mining to be undertaken where waste material is being mined for construction and ore stockpiled ahead of processing plant commissioning. The mining equipment fleet is to be owner-operated and will include outsourcing of certain support activities such as explosives manufacturing and blasting. Production drilling and mining operations will take place on a 10 m bench height. The primary loading equipment will consist of two hydraulic face shovels (29 m^3 bucket size) and one large front-end wheel loader (30 m^3 bucket size). The loading fleet is matched with a fleet of 13 x 216 tonnes haulage trucks. A fleet of two 90 tonnes excavators will be used to excavate the limited volume of overburden material and will also be allocated to mining of the narrow-thickness ore zones associated with the W-Horizon in the South Pit to mitigate additional dilution.

Mining production at peak capacity is 40 Mt per year (110,000 tonnes per day ("t/d")). Total material moved over the life of the operation is 447 Mt with 118 Mt of ore mined.

The Marathon Deposit is well defined and characterized by ore outcropping on surface, wide, and moderately dipping mineralized zones. The open pit operation includes a waste rock dump immediately to the east of the open pits and an ore stockpile (peak capacity of approximately 12 Mt) to the west of the pits, proximal to the crusher location.

Processing

The Project process design is based on the optimized flowsheet as determined by operational considerations and the 2020 metallurgical test programs. The process plant is designed to operate at 9.2 Mt per year (25,200 t/d) and will produce a copper-palladium concentrate for marketing.

The process plant flowsheet includes a conventional comminution circuit consisting of a SAG mill, pebble crusher followed by a ball mill ("SABC"). The flotation portion of the process plant includes rougher flotation, concentrate regrind and three stages of cleaning. After the initial construction phase, the palladium-scavenger ("PGM-Scavenger") circuit will be installed and including cyclone classification of rougher tailings to reject the fine fraction and submit coarser fractions to additional regrinding and PGM scavenger flotation. The PGM-Scavenger circuit will add incremental recovery improvement to achieve the recoveries established in the 2020 metallurgical testing programs.

Metal	% Recovery at Average Reserve Grade	Recovery Equations
Palladium	86.9%	% Rec Pd = 88.27 x (Pd head grade Exp(0.0338)) , to a maximum of 92%
Copper	93.0%	% Rec Cu = 93.0 (constant)
Platinum	84.2%	% Rec Pt = 1.22 x (% Rec Pd) - 21.79
Gold	72.4%	% Rec Au = 1.39 x (% Rec Pd) - 48.37
Silver[1]	71.5%	% Rec Ag = 71.5 (constant)

Note: [1] Silver recovery assumes prior metallurgical test recoveries.

The flotation circuit design incorporates Woodgrove Direct Flotation Reactors ("DFRs") which provide decreased power consumption and improved operational performance. Concentrate thickening, concentrate filtering, tailings thickening, water management, and a Tailings Storage Facility ("TSF") complete the flowsheet.

The below table identifies the key elements in the Cu-PGM concentrate as produced from the mini-pilot plant from the 2020 metallurgical test program.

Element	Unit	South Pit (W-Horz.)	North Pit (Main Zone)
Pd	g/t	171	39
Cu	%	18.7	19.7
Pt	g/t	43.5	7.6
Au	g/t	17.6	3.3
Ag	g/t	> 50	68
Rh	g/t	2.4	0.58

Note: Only key elements are listed in this table. The concentrate is low in deleterious elements; no smelter penalties are anticipated in concentrate marketing.

Site Infrastructure

The existing regional infrastructure in the area of the Project is well established and will allow for the efficient logistics associated with project execution and operations including the movement of the Cu-Pd concentrate to a third-party, off-site smelter.

All site infrastructure facilities, including the roads and access, process plant buildings, workshops, warehouse, administrative buildings, water treatment plants, explosive plant, communication systems, power and power transmission line required for the Project during construction and operation have been considered in the Project design. Off-site infrastructure (including transload concentrate facility, assay lab and accommodation units) required to support the operation have also been included.

The TSF design methodology includes downstream constructed embankments using run-of-mine rockfill with embankments founded directly on bedrock. Majority of the TSF area consists of exposed bedrock with a thin intermittent layer of sand and gravels. The upstream face of embankments includes an HDPE Geomembrane to minimize seepage. The construction methodology includes for bulk material placement with the mining fleet. Directly associated with the TSF is robust water management facilities that are deemed to support the operation and the robust environmental stewardship.

Capital and Operating Cost Summary

The initial capital cost considers a site-based construction timeframe of approximately 18 months followed by a commissioning and ramp-up to commercial production over a period of approximately 9 months. During the pre-commercial production, the costs and revenue associated with operations will be capitalized and included in the capital costs.

Construction Indirects and General and Owner’s costs are related to the expenses other than the direct equipment purchase and direct construction costs.

Sustaining Capital items include future equipment purchases and replacements and major planned component replacements for the mining fleet, the progressive build of the TSF over the life of the operation, installation of the PGM-Scavenger circuit following commercial production and infrastructure developments to support the growth and contribute to operational improvements following initial construction.

Capital Costs	Initial ($ M)	Sustaining ($ M)	Total ($ M)
Mining	127.8	184.1	311.9
Process Plant	269.2	38.5	307.7
Infrastructure	107.7	29.3	136.9
Tailings Storage and Water Management	61.2	170.8	232.0
Construction Indirects	113.5		
General and Owner's Cost	14.9		
Preproduction, Startup, Commissioning	(52.9)		
Subtotal (before equipment financing)	**641.4**	**422.6**	**988.5**
Contingency[1]	74.8		
Subtotal (including contingency)	**716.1**		
Less: Equipment Financing Drawdowns	(72.4)		
Add: Equipment Lease Payment & Fees	21.0		
Total Initial Capital (after equipment financing)	**664.7**	**422.6**	**1087.3**
Closure & Reclamation[2]		65.9	65.9
Total Capital Costs	**664.7**	**488.5**	**1153.2**

Note: [1] Contingency included at project sub-category basis and totals approximately 11.7%.
[2] Closure cost estimate is $55.1M, additional cost included for carrying cost of closure bond.
Sums may not total due to rounding.

Operating Costs	$ M	$/tonne milled	US$/oz PdEq
Mining [1]	1,069	9.23	268
Processing	1,051	9.08	264
General & Administration and Others	287	2.48	72
Concentrate Transport Costs	146	1.26	37
Treatment & Refining Charges	178	1.54	45
Royalties	4	0.03	1
LOM Operating Costs	**2,736**	**23.61**	**687**
Closure & Reclamation	66	0.57	17
Sustaining Capital	423	3.65	106
LOM AISC	**3,224**	**27.78**	**809**

Note: [1] Unit mining cost per tonne mined $2.53/t.

Economic Analysis (presented on a 100% ownership basis, base case assumptions)

The economic cash flow model of the Project, using long-term price of US$1,725/oz for platinum, US$3.20/lb for copper, and a C$/US$ exchange rate of 1.28, generates an after-tax NPV of $1.07 billion, at a 6% discount rate, and an after-tax IRR of 29.7%. Payback is 2.3 years on initial capital. Before taxes, the NPV at 6% is $1.64 billion and IRR is 38.8% with a payback of 1.5 years. The economic analysis is carried out in real terms (i.e., without inflation factors) in Q1 2021 Canadian dollars without any project financing but inclusive of equipment financing and costs for closure bonding.

The Project has significant leverage to the palladium and copper prices. The after-tax valuation sensitivities for the key metrics are shown below.

Palladium Price US$/oz	**1,000**	**1,250**	**1,500**	**1,725**	**1,850**	**2,000**	**2,500**
NPV6% ($M)	356	601	847	**1,068**	1,190	1,337	1,831
Payback (yrs)	4.3	3.2	2.6	**2.3**	2.1	2.0	1.6
IRR (%)	14.8%	20.2%	25.3%	**29.7%**	32.1%	34.8%	43.7%

Copper Price US$/lb	**2.00**	**2.50**	**3.00**	**3.20**	**3.50**	**4.00**	**4.50**
NPV6% ($M)	792	907	1,022	**1,068**	1,137	1,251	1,365
Payback (yrs)	2.7	2.5	2.3	**2.3**	2.2	2.1	2.0
IRR (%)	24.7%	26.8%	28.9%	**29.7%**	30.9%	32.9%	34.8%

After-Tax Results	OPEX Sensitivity				
	-20%	**-15%**	**0%**	**15%**	**20%**
NPV 6% ($M)	1,270	1,220	**1,068**	916	866
Payback (yrs)	2.1	2.1	**2.3**	2.4	2.5
IRR (%)	33.0%	32.2%	**29.7%**	27.1%	26.2%

After-Tax Results	CAPEX Sensitivity				
	-20%	**-15%**	**0%**	**15%**	**20%**
NPV 6% ($M)	1,195	1,163	**1,068**	972	940
Payback (yrs)	1.9	2.0	**2.3**	2.6	2.7
IRR (%)	37.7%	35.4%	**29.7%**	25.3%	24.1%

Discount Rate Sensitivity	NPV (After-Tax) ($M)
0%	2,060
5%	1,191
6%	**1,068**
8%	859
10%	689

Mineral Resources

The Mineral Resource Estimate below is for the combined Marathon, Geordie and Sally deposits. The Mineral Resource Estimates were prepared by P&E Mining Consultants Inc.

Pit Constrained Combined Mineral Resource Estimate[1-8] for the Marathon, Geordie and Sally Deposits (Effective date June 30, 2020)

Mineral Resource Category	Tonnage	Pd		Cu		Au		Pt		Ag	
	kt	g/t	koz	%	M lbs	g/t	koz	g/t	koz	g/t	koz
Marathon Deposit											
Measured	113,793	0.63	2,304	0.20	502	0.07	262	0.21	762	1.49	5,466
Indicated	89,012	0.45	1,296	0.19	373	0.06	182	0.16	449	1.77	5,078
M+I	**202,806**	**0.55**	**3,599**	**0.20**	**875**	**0.07**	**444**	**0.19**	**1,211**	**1.62**	**10,544**
Inferred	6,931	0.43	95	0.17	26	0.08	17	0.14	32	1.55	345
Geordie Deposit											
Indicated	17,268	0.56	312	0.35	133	0.05	25	0.04	20	2.4	1,351
Inferred	12,899	0.51	212	0.28	80	0.03	14	0.03	12	2.4	982
Sally Deposit											
Indicated	24,801	0.35	278	0.17	93	0.07	56	0.2	160	0.7	567
Inferred	14,019	0.28	124	0.19	57	0.05	24	0.15	70	0.6	280
Total Project											
Measured	113,793	0.63	2,304	0.20	502	0.07	262	0.21	762	1.49	5,466
Indicated	131,081	0.45	1,886	0.21	599	0.06	263	0.15	629	1.66	6,996
M+I	**244,874**	**0.53**	**4,190**	**0.20**	**1,101**	**0.07**	**525**	**0.18**	**1,391**	**1.58**	**12,462**
Inferred	33,849	0.40	431	0.22	163	0.05	55	0.10	114	1.48	1,607

Notes:

1. *Mineral Resources were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, (2014) and Best Practices Guidelines (2019) prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council.*
2. *Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, marketing, or other relevant issues.*
3. *The Inferred Mineral Resource in this estimate has a lower level of confidence that that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could be upgraded to an Indicated Mineral Resource with continued exploration.*
4. *Mineral Resources are reported within a constraining pit shell at a NSR cut-off value of $13/t.*
5. *NSR (C$/t) = (Ag x 0.48) + (Au x 42.14) + (Cu x 73.27) + (Pd x 50.50) + (Pt x 25.07) – 2.62.*
6. *The Mineral Resource Estimate was based on metal prices of US$3.00/lb copper, US$1,500/oz gold, US$18/oz silver, US$1,600/oz palladium, and US$900/oz platinum.*
7. *Mineral Resources are inclusive of Mineral Reserves.*
8. *Contained metal totals may differ due to rounding.*

Mineral Reserves

The Mineral Reserve Estimate for the Marathon Project includes only the Marathon deposit. The Mineral Reserve Estimate was prepared by GMS.

Marathon Project Open Pit Mineral Reserve Estimates[1-8] (Effective date September 15, 2020)												
Mineral Reserves Category	**Tonnage**		**Pd**		**Cu**		**Au**		**Pt**		**Ag**	
	kt	**%**	**g/t**	**koz**	**%**	**M lbs**	**g/t**	**koz**	**g/t**	**koz**	**g/t**	**koz**
Proven	85,091	72	0.660	1,805	0.202	379	0.070	191	0.212	581	1.359	3,719
Probable	32,610	28	0.512	537	0.213	153	0.061	64	0.168	176	1.541	1,616
P+P	**117,701**	**100%**	**0.619**	**2,342**	**0.205**	**532**	**0.067**	**255**	**0.200**	**756**	**1.410**	**5,334**

Notes:

1. *CIM definitions were followed for Mineral Reserves (see above Note 1).*
2. *Mineral Reserves are estimated at a cut-off grade varying from \$18.00 to \$21.33 NSR/t of ore.*
3. *Mineral Reserves are estimated using the following long-term metal prices (Pd = US\$1,500/oz, Pt = US\$900/oz, Cu = US\$2.75/lb, Au = US\$1,300/oz and Ag = US\$16/oz) and an exchange rate of C\$/US\$ of 1.33).*
4. *A minimum mining width of 5 m was used.*
5. *Bulk density of ore is variable and averages 3.07 t/m^3.*
6. *The average strip ratio is 2.8:1.*
7. *The average mining dilution factor is 9%.*
8. *Numbers may not add due to rounding.*

The Feasibility Study was prepared through the collaboration of the following consulting firms and Qualified Persons:

Consulting Firms	Area of Responsibility	Qualified Person
G-Mining Services	Mineral Reserves Estimate Mine design Infrastructure design Capital costs and operating costs (Mining and G&A) Financial analysis	Antoine Champagne, P.Eng. Paul Murphy, P.Eng. Antoine Champagne, P.Eng. Louis-Pierre Gignac, P.Eng
Ausenco Engineering Canada Inc. and Haggarty Technical Services	Metallurgical Testing Plant design Capital and Operating costs (Plant)	Robert Raponi, P.Eng
P&E Mining Consultants Inc.	Mineral Resource Estimate Geological technical information QA/QC review of drilling and sampling data	Eugene Purich, P.Eng., FEC, CET
Knight Piésold Ltd. and WESC Inc.	Tailings design and water management Environmental studies and permitting	Craig Hall, P.Eng

COMMUNITY, ENVIRONMENT AND PERMITTING

The development of a mining project in Ontario requires various approvals from both the Federal and Provincial governments. Project permitting is generally split into two phases, the Environmental Assessment ("EA") phase followed by the permitting phase.

The Project is being assessed in accordance with the Canadian Environmental Assessment Act ("CEAA", 2012) and Ontario's Environmental Assessment Act ("EA Act") through a Joint Review Panel ("JRP") pursuant to the Canada-Ontario Agreement on Environmental Assessment Cooperation (2004).

Following approval of the Federal and Provincial Environmental assessments, various permits, approvals and licenses will be required to construct and operate the Project.

The initial EA process was commenced by the prior proponent (Stillwater Canada Inc) of the Marathon Project in 2012 and was put on hold in January 2014. In September 2019, the Company received confirmation from the government that the Marathon Project will remain subject to the requirements of the Canadian Environmental Assessment Act (2012) and the Ontario Environmental Assessment Act (1990) and the process could be restarted.

In June 2020, the Company officially commenced the process to restart the EA approval process and to complete an Environmental Impact Statement ("EIS") report addendum. In November 2020, the Government of Canada and the Province of Ontario appointed the Joint Review Panel ("JRP") members to continue the EA of the Company's Marathon Project. The initial volume of the EIS was completed in January 2021 and the second volume in April 2021. The EIS provides an outline and analysis of key elements of the Project design, the environmental, economic and social components along with the mitigation, controls and benefits that will be present over the life-cycle of the Project from construction to final closure. The Project is being assessed in accordance with the Canadian Environmental Assessment Act (CEAA, 2012) and Ontario's Environmental Assessment Act through a Joint Review Panel ("JRP" or "Panel"). The JRP is a single Environmental Assessment ("EA") process that is harmonized with the Federal and Ontario provincial governments.

The process is expected to be completed in the Second Quarter of 2022. The budgeted costs over the next 12 months are approximately $4.8 million. At a high-level, the steps that are required to complete the process are as follows:

- capture and model the designs and impacts as outlined in the feasibility study,
- document conclusions in the EIS report addendum,
- undertake the JRP hearings which are budgeted to cost approximately $2.3 million,
- the JRP will make recommendations to the federal and provincial ministers of the environment on the EIS report addendum, and
- in conjunction with detailed engineering, begin preparing the operating permit applications and collaborate with Indigenous communities to establish environmental monitoring field programs in anticipation of EA approval and construction.

To assist with the permitting program, the sustainability team is being supported by:

- Stantec: lead the EA process and EIS report addendum update,
- Knight Piésold: tailing facility designs,
- EcoMetrix: geochemistry, aquatics, water quality modelling, and
- Northern BioScience: monitoring of species at risk and terrestrial studies on the property.

The Company and its predecessors have been engaged in consultation and negotiations with a number of Indigenous communities and regional municipalities with respect to the Project since 2004. The Company along with the identified communities are progressing relationships through regular meetings and interactions to advance towards the development of the Project. The Company is striving to ensure these partnerships have mutually beneficial outcomes and anticipates strong and long-lasting relationships with these groups.

EXPLORATION AND EVALUATION ACTIVITIES – MARATHON PROPERTY

2021 Winter and Summer program

In February 2021, the Company initiated an 8,000-metre exploration drilling program on the Marathon Property. The program will consist of a 3,000-metre winter program (conditional on weather) and a 5,000-metre summer program. The entire 2021 exploration program is estimated to cost approximately $4.4 million and will be partially funded by the Company's $3.4 million flow through financing completed in December 2020. The summer program will be developed at a later date and the winter program is designed to test the following areas which are all located external to the Marathon Resource:

- Central Feeder Zone - follow up on high grade, ramp accessible, drill results obtained from the 2020 drill program where drill intercepts returned up to 8 metres grading 3.86 g/t Pd, 1.36 g/t Pt, 0.43% Cu within a 43 metre zone of mineralization.
- Chonolith Zone - located north of the Marathon Main Zone where drilling in 2006 yielded results which suggest the potential for wide zones of Pd and Cu mineralization like hole BO-06-20 which assayed 0.93 g/t Pd and 0.58% Cu over a 100.5 m interval (from 215.8 m to 316.3 m downhole). The collar location of the planned hole in this area is a 50 m southerly step-out from hole BO-06-20, and
- Southern W Horizon - three holes are planned to test the westerly down dip extension of the high-grade zone. The Southern W Horizon is defined by a cluster of more than 20 drill holes where the best intercept was 0.83 g/t gold, 4.79 g/t Pt, 15.77 g/t Pd and 0.21 % Cu over 10 metres, from 6.0 m to 16.0 m downhole, in hole M-07-304.

In May 2021, the Company provided an update on the winter exploration program and the planned summer program. The winter program consisted of three completed holes over approximately 2,000 metres. Drilling was focused on evaluation the potential for high grade, ramp accessible resources which potentially extend the life of the proposed operation. Results from the three holes completed over the western extension of the W-Horizon are provided below. Highlights include three high grade intercepts consisting of 3.19 g/t Pd over 4 m in Hole 553 from 470 m to 474 m, 4.3 g/t Pd over 4 m in Hole 554 from 410 m to 414 m and, also in Hole 554, 3.06 g/t Pd over 4 m from 450 m to 454 m. These intercepts sit within a broad zone of mineralization at least 100 m wide and approximately 50 to 100 metres thick and some 300 m down dip from the western margins of the Marathon Deposit. Full assay results are as follows:

Hole ID	**From (m)**	**To (m)**	**Length* (m)**	**Pd (g/t)**	**Pt (g/t)**	**Au (g/t)**	**Cu (%)**	**PdEq** (g/t)**
M-21-552	**434**	**444**	**10**	**1.14**	**0.36**	**0.21**	**0.20**	**1.78**
	498	**542**	**44**	**0.38**	**0.10**	**0.04**	**0.25**	**0.78**
M-21-553	**416**	**482**	**66**	**0.55**	**0.24**	**0.05**	**0.05**	**0.79**
including	***470***	***474***	***4***	***3.19***	***1.06***	***0.25***	***0.20***	***4.26***
	515	**524**	**9**	**0.26**	**0.08**	**0.03**	**0.20**	**0.58**

Hole ID	From	To	Length*	Pd	Pt	Au	Cu	PdEq**
	(m)	(m)	(m)	(g/t)	(g/t)	(g/t)	(%)	(g/t)
M-21-554	**410**	**422**	**12**	**1.79**	**0.33**	**0.20**	**0.38**	**2.64**
including	***410***	***414***	***4***	***4.30***	***0.81***	***0.48***	***0.63***	***5.96***
	450	**470**	**20**	**0.95**	**0.30**	**0.07**	**0.11**	**1.33**
including	***450***	***454***	***4***	***3.06***	***0.87***	***0.20***	***0.24***	***4.03***
	506	**542**	**36**	**0.29**	**0.07**	**0.04**	**0.28**	**0.72**

* drill intercepts lengths approximate true widths

** The Palladium Equivalent ("PdEq") calculation expressed in g/t is the sum of the theoretical in situ value of the constituent metals (Au + Pt + Pd + Cu) divided by the value of one gram of palladium. The calculation makes no provision for expected metal recoveries or smelter payables. USD per ounce commodity prices of $1,725, $1,000, $1,400 were used, respectively, for Pd, Pt and Au and a $3.20/lb value was assigned for Cu.

Generation intends to start its summer drilling program on or about May 15th, 2021. The initial phase of the summer program will test two off-hole electromagnetic conductors which may be in response to massive sulphide accumulations on the floor of the Central Feeder Zone. These conductors are located approximately 50 to 120 metres east and up-dip from the mineralized intercepts in the recently drilled holes. The Company also plans to increase the size of it summer drill program to approximately 8,000 metres and is currently developing targets and collar locations.

OUTLOOK

On April 30, 2021, the management committee of the joint venture approved by majority vote the Company's Feasibility Study filed on March 25, 2021 and the Company and Stillwater entered into a waiver and extension agreement where the management committee temporarily deferred consideration of a "commercial production decision", as such term is defined in the joint venture agreement, until July 22, 2021 (the "Commercial Production Decision Date"). As a result, the parties have agreed that Stillwater will have until the Commercial Production Decision Date to elect to exercise its rights under the joint venture agreement to increase its ownership interest in the Marathon Project. During this period, the Company intends to continue with the exploration drilling along with the development of the Marathon Project, including progressing the Environmental Assessment, community relations, and detailed engineering.

COVID-19

At the end of 2019, a novel strain of coronavirus ("COVID-19") was reported in China. The COVID-19 outbreak developed rapidly in 2020, with a significant number of infections around the world. On March 11, 2020, it was labelled a pandemic by the World Health Organization. During 2020 and the first quarter of 2021, attempts at containment of COVID-19 have resulted in decreased economic activity, which has adversely affected the broader global economy. The rapid development and fluidity of the situation precludes any prediction as to the ultimate impact of COVID-19; however, the Company seeks to obtain the best possible information to enable the assessment of the risks involved and implement appropriate measures to respond. During the year ended December 31, 2020 and the first quarter of 2021, the Company has implemented a COVID-19 policy drawing on industry specific guidelines set out by federal and provincial governments and works in conjunction with its local health authority to safeguard the health of its employees and the local communities where it operates. The Company cautions that its operations and exploration activities may be impacted by the unprecedented business and social disruption caused by the spread of COVID-19. While there have been no material disruptions to the Company's operations as a whole to date, there can be no certainty that COVID-19 and the restrictive measures implemented to slow the spread of the virus will not impact the Company's operations in the future.

OTHER MINERAL PROPERTIES

In addition to the Marathon Property, the Company holds options, rights and/or ownership interest in the following mineral properties as of March 31, 2021:

Darnley Bay Anomaly, Northwest Territories: The Company holds the exclusive rights to a mineral concession covering the Inuvialuit Settlement Region's lands where the Inuvialuit hold the mineral and surface rights. The area hosts potential for base metal and diamond exploration targets. The Company has an agreement regarding exploration and development with the Inuvialuit Regional Corporation (the "IRC") which requires cash payments of $50,000 per year commencing in 2020, or when the TSX-Venture Exchange composite index reaches 1500, and minimum exploration expenditures of $1,000,000 per year commencing in 2020 and cumulative exploration expenditures of $6.3 million by 2025. The Company has not fulfilled its obligations under the agreement as at March 31, 2021 and continues to discuss alternative options with the IRC.

Davidson, British Columbia: The Company has an option to acquire a 100% interest in a property hosting a molybdenum-tungsten deposit. The option agreement was signed on April 1, 2016 and cumulative payments totalling $550,000 were made as at May 11, 2021 meeting all spending requirements. There is an ongoing commitment of $100,000 payable on each anniversary of the agreement until commercial production is achieved or the agreement is terminated. Upon commercial production, the vendor will be entitled to a net smelter return royalty of 3%.

Rawdon Zinc Nova Scotia: On March 16, 2018, the Company entered into a Claims Acquisition Agreement to acquire a 100% interest in an exploration property with the potential to host lead-zinc-silver-copper mineralization in central Nova Scotia. Pursuant to the agreement, the Company issued 3,000,000 common shares valued at $191,400 to the optionor.

Alberta Zinc, Alberta: On May 10, 2018, the Company entered into an option agreement to acquire a 100% interest in the Alberta Zinc project. The property is subject to a 2% gross metals royalty, of which the Company can purchase half at any time for $1 million. The Company paid $10,000 and issued 500,000 common shares valued at $31,900 to the vendor upon signing the agreement and committed to a minimum of $100,000 in expenditures on the property which was fulfilled during 2019. A further payment of $250,000 (in cash or shares) was required on May 10, 2020. The Company has not fulfilled its obligations under the agreement as at March 31, 2021 and continues to discuss alternative options with the property owner.

ACQUISITION, EVALUATION AND EXPLORATION EXPENDITURES

Below are the acquisition, evaluation and exploration expenditures for the three months ended March 31, 2021 compared with the three months ended March 31, 2020:

	Three months ended	
	March 31, 2021	March 31, 2020
Davidson	**$ 24,483**	$ 28,355
Marathon	**2,844,526**	582,648
Total mineral property expenditures	**$ 2,869,009**	$ 611,003

The following table displays the cumulative mineral property expenditures by project at March 31, 2021.

	Cumulative December 31, 2020	**Acquisition**	**Evaluation and exploration**	**Cumulative March 31, 2021**
Darnley Bay Anomaly	$ 576,941	**$ -**	**$ -**	**$ 576,941**
Davidson	450,987	**24,483**	**-**	**475,470**
Rawdon Zinc	550,917	**-**	**-**	**550,917**
Alberta Zinc	179,626	**-**	**-**	**179,626**
Marathon	17,270,389	**40,341**	**2,804,185**	**20,114,915**
Total expenditures in the year	19,028,860	**64,824**	**2,804,185**	**21,897,869**
Mineral properties acquired (1)	1,216,848	**-**	**-**	**1,216,848**
Total mineral property expenditures	$ 20,245,708	**$ 64,824**	**$ 2,804,185**	**$ 23,114,717**

(1) Properties acquired on December 15, 2017 pursuant to a court approved plan of arrangement between Generation, Pine Point Mining Limited and Osisko Metals Incorporated ("Transferred Properties"). The Transferred Properties include the Darnley Bay Anomaly in the Northwest Territories and Davidson in British Columbia.

MARKETABLE SECURITIES

On May 24, 2016, the Company entered into an option agreement to earn a 100% interest in a zinc-lead-silver property ("Clear Lake"). On October 1, 2018, the Company entered into an Assignment, Assumption and Amending Agreement ("Clear Lake Assignment Agreement") with Eastern Zinc Corp. ("Eastern Zinc") and the optionor of the Clear Lake property to assign the exclusive right and option to acquire a 100% interest in the property to Eastern Zinc. On June 19, 2020 Eastern Zinc changed its name to Major Precious Metals Corp. ("Major Precious Metals"). Pursuant to the agreement, Major Precious Metals paid $50,000 in cash and issued 12,600,000 common shares of Major Precious Metals to the Company ("Major Precious Metals Shares"). Pursuant to the Clear Lake Assignment Agreement, an additional $50,000 in cash and 5,010,000 common shares of Major Precious Metals were due to the Company on October 1, 2019 which was extended to October 1, 2020 which were accounted for as receivables ("Major Precious Metals Receivables"). On January 31, 2020, Eastern Zinc provided notice of termination pursuant to the underlying option agreement which had no effect on the Company's Major Precious Metals Receivables.

On May 13, 2020, the Company entered into an assignment agreement assigning the Company's right to the Major Precious Metals Receivables to a third party for cash consideration of $300,500 resulting in a realized loss of $66,385.

On May 13, 2020, the Company also entered into a share purchase agreement agreeing to sell 4,000,000 Major Precious Metals Shares to a third party for cash consideration of $200,000, or $0.05 per share. On July 16, 2020, the assignment agreement and share purchase agreement closed resulting in the Company holding a balance of 8,600,000 Major Precious Metal Shares. The transaction resulted in the Company recording a realized loss of $120,000.

During the first quarter ended March 31, 2021, the Company sold 352,000 shares (March 31, 2020 – nil) of Major Precious Metals in the open market for total proceeds of $153,660 (March 31, 2020 – nil) resulting in a realized gain of $125,500 (March 31, 2020 – nil).

As of March 31, 2021, the Company held 7,803,000 Major Precious Metals Shares (December 31, 2020 - 8,155,000) valued at $3,745,440 (December 31, 2020 - $2,568,825). The fair value was determined using the market value on March 31, 2021 and December 31, 2020, and the 30 day volume weighted average price in the comparable period. The fair value adjustments resulted in an unrealized gain of $1,204,775 for the quarter ended March 31, 2021 (March 31, 2020 – unrealized gain $95,418) on marketable securities.

RESULTS FROM OPERATIONS

The following table sets forth financial information for the Company which has been summarized from and should be read in conjunction with the Company's interim consolidated financial statements for the three months ended March 31, 2021 and 2020, including the notes thereto.

Statements of Loss	Three months ended March 31, 2021	Three months ended March 31, 2020	Year ended December 31, 2020	Year ended December 31, 2019
Expenses				
Acquisition, evaluation and exploration	$ 2,869,009	$ 611,003	$ 7,984,022	$ 9,672,344
Share-based compensation	224,588	295,495	1,547,720	1,101,000
Audit, legal and advisory fees	30,475	114,515	289,357	450,826
Management and corporate administration services	141,315	119,766	681,325	421,956
Shareholder and investor communications costs	258,367	220,582	833,471	597,177
Occupancy cost	37,858	34,116	127,127	111,423
Interest expense	8,278	13,849	35,708	39,227
Operating loss	(3,569,888)	(1,409,326)	(11,498,730)	(12,393,953)
Realized and unrealized gain (loss) on Marketable securities and receivable marketable securities	1,330,275	124,259	2,896,265	(1,608,017)
Gain on debt write-off	-	-	180,516	-
Interest income	3,580	-	29,125	-
Deferred income tax recovery	-	-	-	129,611
Net Loss and Comprehensive Loss	**$ (2,236,033)**	**$ (1,285,067)**	**$ (8,392,824)**	**$ (13,872,359)**
Net Loss per Share – Basic and diluted	**$ (0.02)**	**$ (0.01)**	**$ (0.07)**	**$ (0.21)**

Three Months Ended March 31, 2021 compared to 2020

Generation incurred a net loss of $2,236,033 or $0.02 per share for the three months ended March 31, 2021 compared to a net loss of $1,285,067 or $0.01 per share for the three months ended March 31, 2020. The significant differences are outlined below.

- Acquisition, evaluation, and exploration expenses were $2,869,009 for the three months ended March 31, 2021 compared to $611,003 for the three months ended March 31, 2020. The increase of $2,258,006 is primarily related to and increase in costs associated with the environmental assessment, the winter drilling program initiated at the Marathon Property and costs associated with the ongoing feasibility study. During the first quarter of 2021 $659,252 was incurred for exploration expenditures (Q1 2020 - $152,747), $696,840 for feasibility study related costs (Q1 2020 - $137,213), and $1,261,481 for environmental assessment expenditures (Q1 2020 - $125,503).
- Share-based compensation was $224,588 for the three months ended March 31, 2021 compared to $295,495 for the three months ended March 31, 2020. Share-based compensation is a non-cash item calculated using the Black Scholes valuation model and fluctuates period to period depending on the number of options vested. The expenditures are consistent for the comparable quarters. There were 1,375,000 stock options subject to vesting schedules in the first quarter ended 2021 compared to no stock options vesting during the first quarter of 2020.
- Audit, legal and advisory fees were $30,475 for the three months ended March 31, 2021 compared to $114,515 for the three months ended March 31, 2020. During the first quarter of 2020 the Company incurred advisory fees resulting in the increase of $84,040 more than the current period. Management and corporate administration services expenses were $141,315 in the three months ended March 31, 2021 compared to $119,766 for the three months ended March 31, 2020. The expenditures are consistent for the comparable quarters.
- Shareholder and investor communications costs were $258,367 in the three months ended March 31, 2021 compared to $220,582 in the three months ended March 31, 2020. The expenditures in

the current period and the increase over 2020 are related to extensive marketing and investor relations programs related to the release of the feasibility study.

- Occupancy costs were $37,858 in the three months ended March 31, 2021 compared to $34,116 in the three months ended March 31, 2020. The expenditures are consistent for the comparable quarters.
- Interest expense was $8,278 in the three months ended March 31, 2020 compared to interest expense of $13,849 in the three months ended March 31, 2020. Interest expense in the current quarter results from the recognition and depreciation of the corporate office lease as a right-of-use asset. In 2020, there was additional interest accrued on debt which was subsequently written off at December 31, 2020.
- Realized and unrealized gains and losses on marketable securities and receivable marketable securities relate to the sale and/or period end fair value adjustments of marketable securities or marketable securities receivable during the period. Transactions during the quarter are outlined above under the section heading Marketable Securities.
- Interest income results from interest earned on short term guaranteed investment certificates.

Year Ended December 31, 2020 compared to 2019

Generation incurred a net loss of $8,392,824 or $0.06 per share for the year ended December 31, 2020 compared to a net loss of $13,872,359 or $0.21 per share for the year ended December 31, 2019. The significant differences are outlined below.

- Acquisition, evaluation, and exploration expenses were $7,984,022 for the year ended December 31, 2020 and $9,672,344 for the year ended December 31, 2019. Net of the Marathon Property acquisition costs of $6,000,000 incurred in 2019, expenditures were $3,672,344. The net increase of $4,311,678 for the year ended 2020 compared to 2019 is primarily related to the fall drilling program conducted at the Marathon Property and costs associated with the ongoing feasibility study and environmental assessment. During the year ended 2020 $2,060,194 was incurred for exploration expenditures (2019 $3,052,079), $3,153,684 for feasibility study related costs (2019 $476,215), and $1,986,544 for environmental assessment expenditures (2019 $163,569).
- Share-based compensation was $1,547,720 for the year ended December 31, 2020 compared to $1,101,000 for the year ended December 31, 2019. Share-based compensation is a non-cash item calculated using the Black Scholes valuation model and fluctuates period to period depending on the number of options vested. The increase of $446,720 in 2020 compared to 2019 is directly related to the number of options vesting during the periods. There were 5,325,000 stock options vesting or partially vesting during the year ended December 31, 2020 compared to 4,100,000 stock options vesting during the same period in 2019.
- Audit, legal and advisory fees were $289,357 for the year ended December 31, 2020 compared to $450,826 for the year ended December 31, 2019. The decrease of $161,469 in 2020 is related in large part to expenditures incurred in 2019 relating to the acquisition of the Marathon Property.
- Management and corporate administration services expenses were $681,325 in the year ended December 31, 2020 compared to $421,956 for the year ended December 31, 2019. The increase of approximately $259,369 is the result of an increase in administration activities and executive compensation at the corporate level as the Company expanded in order to complete a feasibility study and environmental assessment on the Marathon Property.
- Shareholder and investor communications costs were $833,471 in the year ended December 31, 2020 compared to $597,177 in the year ended December 31, 2019. The increase of approximately $236,294 in 2020 is primarily the result of fees associated with the listing of the Company's shares on the Toronto Stock Exchange and the OTC Market in addition to an increase marketing and investor relations programs related to the Marathon Property.
- Occupancy costs were $127,127 in the year ended December 31, 2020 compared to $111,423 in the year ended December 31, 2019. The increase of $15,704 is the result of the increase in office space.

- Interest expense was $35,708 in the year ended December 31, 2020 compared to $39,227 in the year ended December 31, 2019. Interest expense results from the recognition and depreciation of the corporate office lease as a right-of-use asset and interest accrued debt.
- Realized and unrealized gains and losses on marketable securities and receivable marketable securities relate to the sale and/or period end fair value adjustments of marketable securities or marketable securities receivable during the period. Transactions during the year are outlined above under the section heading Marketable Securities.
- Gain on debt settlement was $180,516 in the year ended December 31, 2020 compared to nil in the year ended December 31, 2019. The gain relates to the write off of $180,516 in debt due to the passing of the statute of limitations.
- Interest income results from interest earned on short term guaranteed investment certificates.
- Deferred income tax recovery results from the flow-through share premium received upon the issuance of flow-through shares. There was no premium on the issue of flow-through shares in the year ended December 31, 2020. In the year ended December 31, 2019, a $129,611 tax recovery was recorded when the eligible exploration expenditures were incurred and renounced.

Summary of Quarterly Results

Three Months Ended	Mar 31 2021	Dec 31, 2020	Sep 30, 2020	Jun 30, 2020	Mar 31 2020	Dec 31 2019	Sep 30 2019	Jun 30 2019
Acquisition, evaluation and exploration	$2,869,009	$3,359,924	$2,648,228	$1,328,867	$611,003	$1,980,217	$7,475,824	$7,425
General and administration	476,293	388,326	448,193	627,641	502,828	413,937	402,562	613,029
Share-based payments	224,588	155,276	139,986	956,963	295,495	-	1,101,000	-
Operating loss	(3,569,888)	(3,903,526)	(3,272,407)	(2,913,471)	(1,409,326)	(2,394,154)	(8,979,386)	(620,454)
Realized and unrealized gain (loss) on marketable securities and receivable marketable securities	1,330,275	547,075	(2,939,435)	5,164,366	124,259	(504,119)	(525,798)	(714,200)
Gain on debt write-off	-	180,516	-	-	-	-	-	-
Interest income	3,580	5,611	7,099	16,415	-	-	-	-
Net (loss) income and comprehensive (loss) income	(2,236,033)	(3,170,324)	(6,204,743)	2,267,310	(1,285,067)	(2,768,662)	(9,505,184)	(1,334,654)
Basic and diluted (loss) earnings per share	$(0.02)	$(0.02)	$(0.05)	$0.02	$(0.01)	$(0.03)	$(0.11)	$(0.03)
Weighted average number of common shares outstanding	139,038,358	131,367,147	130,527,507	130,134,113	111,061,988	91,522,675	83,909,901	45,573,475

The Company's operating losses are driven mainly by the extent and cost of the company's acquisition, evaluation and exploration activities. The significant changes over the most recent eight completed quarters are outlined below.

- During the third and fourth quarters of 2019, the four quarters of 2020 and the first quarter of 2021, acquisition, evaluation and exploration expenditures increased significantly as a result of the acquisition and continuing development of the Marathon Property. The Company completed a preliminary economic assessment in the third and fourth quarters of 2019, worked on a feasibility study and environmental assessment during the four quarters of 2020 and into 2021, completed a 12,000-metre drill program in the fourth quarter of 2020 and initiated a winter drilling program in the first quarter of 2021.
- Also, included in acquisition, evaluation and exploration expenses in the eight completed quarters are costs related to the Company's Transferred Properties, the Rawdon project and Alberta Zinc.
- General and administrative expenses increased as a result of the expanded corporate administrative function following the Marathon Property acquisition in 2019 and remain consistent with comparable quarters.
- Share-based payments is a non-cash item calculated using the Black Scholes valuation model and fluctuates period to period depending on the number of options granted and vesting.

- Realized and unrealized gains and losses on marketable securities and receivable marketable securities relate to the sale and/or period end fair value adjustments of marketable securities or marketable securities receivable during the period. Transactions during the period are outlined above under the section headings Marketable Securities.
- Gain on debt write-off is a non-recurring item.

FINANCIAL POSITION

Assets

As at March 31, 2021, the Company had total assets of $15,383,041 (December 31, 2020 - $15,660,035) which consisted of current assets of $14,605,831 (December 31, 2020 - $14,857,059) and non-current assets of $777,210 (December 31, 2020 - $802,976).

Current assets as at March 31, 2021 consists primarily of cash and cash equivalents of $10,172,887 (December 31, 2020 - $11,662,360), marketable securities of $3,745,440 (December 31, 2020 - $2,568,825) and accounts receivable $362,298 (December 31, 2020 - $483,119). Cash is held in Canadian dollar denominated accounts and short term guaranteed investment certificates, marketable securities consist of 7,803,000 shares of Major Precious Metals at fair value and accounts receivable is mainly comprised of HST receivable. There is no assurance that Generation will be able to monetize its investment in marketable securities as at March 31, 2021.

Non-current assets as at March 31, 2021 consist of restricted cash and cash equivalents pursuant to guaranteed investment certificates held as security for the corporate office lease, land and building acquired pursuant to the acquisition of the Marathon Property and the corporate office right of use asset.

Liabilities

As at March 31, 2021, the Company had total liabilities of $1,558,016 (December 31, 2020 - $1,958,613) which consisted of current liabilities of $1,376,030 (December 31, 2020 - $1,767,198) and long-term liabilities of $181,986 (December 31, 2020 - $191,415).

Current liabilities as at March 31, 2021 primarily consists of accounts payable and accrued liabilities of $1,342,211 (December 31, 2020 - $1,735,441) and short term lease liability of $33,819 (December 31, 2020 - $31,757). The increase in accounts payable is due mainly to the increased expenditures relating to the operation of the Marathon Property.

As a result of applying IFRS 16, the Company recognized a right-of-use asset for its corporate office lease. As at March 31, 2021, the balance of the current lease liability is $33,819 and the long term lease liability is $181,986.

LIQUIDITY

The Company relies on equity financings to fund its acquisition, evaluation and exploration activities, cover administrative expenses and to meet obligations as they become due.

The Company's main source of liquidity is its cash. These funds are primarily used to finance working capital, exploration and evaluation expenditures, capital expenditures, and acquisitions. The Company manages its liquidity risk by regularly monitoring its cash flows from operating activities and holding adequate amounts of cash. Cash is held on deposit and in guaranteed investment certificates with a major Canadian chartered bank.

Cash used in operating activities during the three months ended March 31, 2021 was $3,770,814 compared with $1,073,567 in the same period of the prior period. The cash used in operations in both periods relate mainly to the exploration and evaluation of the Marathon Property, and corresponding increases in audit, legal and advisory fees, investor communications expenses and general and administrative expenses.

Cash provided by investing activities was $153,660 during the three months ended March 31, 2021 compared to cash used in investing activities of $nil in the same period in 2020. Cash provided by investing activities in the current period consisted of proceeds generated from the sale of marketable securities.

Cash generated from financing activities during the three months ended March 31, 2021 amounted to $2,127,681, compared to $14,178,794 in the same period of the prior period. Financing activities during both periods consisted of proceeds from the exercise of common share purchase warrants and the exercise of stock options. (See Outstanding Security Data section below for further details). In the first quarter of 2020, additional cash was generated from the private placement of common shares.

CAPITAL RESOURCES

The Company does not have any debt or credit facilities with financial institutions.

At present, the Company's operations do not generate cash in-flows and its financial success is dependent on management's ability to discover economically viable mineral deposits. The mineral exploration process can take many years and is subject to factors that are beyond the Company's control. To finance the Company's exploration programs, feasibility study, environmental assessment and to cover administrative and overhead expenses, the Company raises money through equity financings. Many factors influence the Company's ability to raise funds, including the health of the resource market, the climate for mineral exploration investment, the Company's track record, and the experience and caliber of its management. Actual funding requirements may vary from those planned due to a number of factors, including the progress of exploration and development activities.

Management believes it will be able to raise capital as required in the long term but recognizes there will be risks involved that may be beyond their control. If the Company is unable to raise sufficient financing, it may need to scale back its intended operational programs and its other expenses. Other than as discussed herein, the Company is not aware of any trends, demands, commitments, events or uncertainties that may result in its liquidity either materially increasing or decreasing at present or in the foreseeable future, other than general market conditions, which are uncertain for junior exploration companies. Material increases or decreases in the Company's liquidity will be substantially determined by the success or failure of its exploration and development programs, as well as its continued ability to raise capital.

DIVIDENDS

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

RELATED PARTY TRANSACTIONS

Key management includes the Company's directors, officers and any employees with authority and responsibility for planning, directing, and controlling the activities of an entity, directly or indirectly. Compensation awarded to key management includes the following:

		March 31, 2021		March 31, 2020
Salaries and bonuses	**$**	**250,875**	$	234,000
Share-based payments - options		**193,727**		295,495
Total compensation to key management	**$**	**444,602**	$	529,495

In the three months ended March 31, 2021, compensation included salaries and bonuses of $250,875 (March 31, 2020 - $234,000) and share-based payments of $193,727 (March 31, 2020 – $295,495) for a total compensation of $444,602 compared to $529,495 in the three months ended March 31, 2020.

As at March 31, 2021, accounts payable included $33,545 (March 31, 2020 - $55,729) due to key management of the Company.

OFF-BALANCE SHEET ARRANGEMENTS

As at March 31, 2021, the Company did not have any off-balance sheet items.

OUTSTANDING SECURITY DATA

Common Shares

The following table summarizes the continuity of common shares for the period ended March 31, 2021 and May 11, 2021:

	Number of shares	$
Balance as at December 31, 2019	91,631,689	11,636,743
Shares issued for private placement (1)	20,577,403	5,830,486
Shares issued for flow through private placement (2)	4,292,367	3,112,797
Shares issued for exercise of warrants	18,367,333	7,283,977
Shares issued for exercise of options	1,446,500	508,917
Balance as at December 31, 2020	136,315,292	28,372,920
Shares issued for exercise of warrants	4,125,075	3,290,062
Shares issued for exercise of options	100,000	59,000
Balance as at March 31, 2021	**140,540,367**	**31,721,982**
Shares issued for exercise of warrants	**854,708**	**587,855**
Balance as at May 11, 2021	**141,395,075**	**32,309,837**

(1) On February 13, 2020, the Company closed a bought deal private placement of 19,231,250 units and a concurrent non-brokered private placement of 1,346,153 units, for an aggregate of 20,577,403 units at a price of $0.52 per unit for aggregate total gross proceeds of $10,700,250. Each unit consists of one common share in the capital of the Company and one-half of one common share purchase warrant. Each whole warrant is exercisable to acquire one common share at $0.75 for a period of 24 months. The underwriters received cash compensation of 6% of the gross proceeds on 9,615,864 units, and 4% of the gross proceeds on 9,615,386 units. There was no commission paid on the non-brokered private placement of 1,346,153 units. In addition, the underwriters received compensation options equal to 6% on 9,615,864 units and 4% on 9,615,386 units. There were no compensation options issued on the non-brokered private placement of 1,346,153 units. Each compensation option is exercisable into one common share of the Company for a period of 24 months from closing at an exercise price of $0.52. The total share issue cost was $630,927.

(2) On December 30, 2020, the Company closed a private placement of 4,292,367 flow through common shares at a price of $0.77 per common share for gross proceeds of $3,305,123. Finders received cash compensation of 6% of the gross proceeds on 3,600,000 common shares or $166,320. The total share

issue cost was $192,386. Flow through funds must be used for qualifying exploration expenditures. No qualifying expenses were incurred as of December 31, 2020.

Warrants

The following table summarizes the continuity of warrants for the the period ended March 31, 2021 and May 11, 2021:

	Number of warrants
Outstanding, December 31, 2019	28,825,040
Warrants issued in private placement (1)	10,288,701
Finders warrants issued (1)	961,567
Warrants issued (2)	360,309
Warrants exercised	(18,367,333)
Outstanding, December 31, 2020	22,068,284
Warrants issued (2)	370,478
Warrants exercised	(4,125,075)
Outstanding, March 31, 2021	**18,313,687**
Warrants issued (2)	**3,388**
Warrants exercised	**(854,708)**
Outstanding, May 11, 2021	**17,462,367**

(1) Pursuant to the private placement completed on February 13, 2020 (note 11 (a)) 10,288,701 common share purchase warrants and 961,567 finders options were issued. The fair value of the common share purchase warrants and finders options have an estimated grant date fair value of $4,115,480 and $413,474 respectively which was estimated using the Black Scholes option pricing model using the following assumptions: Risk-free interest rate 1.51%, expected volatility using Company historical 151%, dividend yield nil, expected life 2 years.

(2) Pursuant to a private placement completed on July 9, 2019, 14,286,000 common share purchase warrants and 2,000,040 finders options were issued. The fair value of the common share purchase warrants and finders options have an estimated grant date fair value of $3,428,640 and $720,014 respectively which was estimated using the Black Scholes option pricing model and the following assumptions: Risk-free interest rate 1.64%, expected volatility using Company historical 193%, dividend yield nil, expected life 2 years.

Warrants outstanding as at March 31, 2021 are as follows:

Number of warrants	Exercise price $	Type	Expiry date	Remaining contractual life (years)
7,761,329	0.45	Share purchase warrants	July 9, 2021	0.3
538,467	0.28	Finders options	July 9 2021	0.3
9,191,951	0.75	Share purchase warrants	February 13, 2022	0.9
821,940	0.52	Finders warrants	February 13, 2022	0.9
18,313,687	0.60 (1)			0.7(1)

(1) Weighted average

Stock Options

On May 9, 2018, the Company adopted an incentive Stock Option Plan (the "Plan"). The Plan was amended in July 2020. Under the Plan, options are non-assignable and may be granted for a term not exceeding ten years. The total number of common shares that may be reserved for issuance may not exceed ten percent of outstanding common shares at the grant date and may not exceed five percent for any one person in any 12-month period. The exercise price of an option may not be lower than the market price of the common shares on the Toronto Stock Exchange. The options are non-transferable.

Outstanding options may be adjusted by the Board in certain events, as to exercise price and number of common shares, to prevent dilution or enlargement.

The following table sets forth the continuity of outstanding stock options for the period ended March 31, 2021 and May 11, 2021:

	Number of options
Outstanding, December 31, 2019	7,346,500
Options granted	5,325,000
Options exercised	(1,446,500)
Outstanding, December 31, 2020	11,225,000
Options granted	500,000
Options exercised	(100,000)
Outstanding, March 31 and May 11, 2021	**11,625,000**

The fair value of options granted under the Plan is measured on the date of grant using the Black-Scholes pricing model and expensed to net income (loss) using the following inputs and assumptions at the measurement date:

Date	Number of Options	Exercise Price ($)	Market Price ($)	Expected Volatility (%) (1)	Risk-free Interest Rate (%)	Expected Life (years)/ Dividend Yield %	Fair Value of Options ($)	Vesting
05-Feb-20	500,000	0.65	0.63	152	1.41	5 / 0%	285,000	Immediate
18-Mar-20	750,000	0.45	0.34	152	0.73	5 / 0%	198,750	375,000 in six months/ 375,000 12 months
20-Apr-20	2,850,000	0.52	0.35	151	0.44	5 / 0%	883,500	Immediate
31-Jul-20	600,000	0.52	0.43	144	0.22	2 / 0%	138,000	1/3 immediate 1/3 6 months 1/3 12 months ("1/3rd vesting")
11-Sep-20	75,000	0.52	0.45	141	0.24	2 / 0%	18,000	1/3rd vesting
06-Nov-20	450,000	0.52	0.49	138	0.4	5 / 0%	162,000	1/3rd vesting
06-Nov-20	100,000	0.52	0.49	138	0.26	2 / 0%	26,667	1/3rd vesting
08-Mar-21	500,000	1.00	0.95	132	0.92	5 / 0%	343,333	1/3rd vesting

(1) Based on the Company's historical volatility.

As at March 31, 2021, stock options carry exercise prices and terms to maturity as follows:

Exercise price $	Options Outstanding	Options Exercisable	Expiry date	Remaining contractual life (years)
0.52	600,000	200,000	July 31, 2022	1.2
0.52	75,000	25,000	September 11, 2022	1.3
0.52	100,000	33,000	November 6, 2022	1.4
0.10	2,400,000	2,400,000	May 11, 2023	2.1
0.30	3,100,000	3,100,000	July 16, 2024	3.3
0.30	200,000	200,000	August 7, 2024	3.3
0.35	100,000	100,000	September 6, 2024	3.4
0.65	500,000	500,000	February 5, 2025	3.8
0.45	750,000	375,000	March 18, 2025	4.0
0.52	2,850,000	2,850,000	April 20, 2025	4.0
0.52	450,000	150,000	November 6, 2025	4.6
1.00	500,000	167,000	March 8, 2026	4.9
0.39(1)	11,625,000	10,100,000		3.3(1)

(1) Weighted average

SUBSEQUENT EVENTS

On April 30, 2021, the management committee of the joint venture has by majority vote approved the Company's Feasibility Study filed on March 25, 2021 and the Company and Stillwater entered into a waiver and extension agreement where the management committee temporarily deferred consideration of a "commercial production decision", as such term is defined in the joint venture agreement, until July 22, 2021 (the "Commercial Production Decision Date"). As a result, the parties have agreed that Stillwater will have until the Commercial Production Decision Date to elect to exercise its rights under the joint venture agreement to increase its ownership interest in the Marathon Project.

RISKS AND UNCERTAINTIES

The operations of the Company are speculative due to the high-risk nature of its business, which is the acquisition, financing, exploration and development of mining properties. These risk factors could materially affect the Company's future operating results and could cause actual events to differ materially from those described in forward–looking information relating to the Company. Accordingly, any investment in securities of the Company is speculative and investors should not invest in securities of the Company unless they can afford to lose their entire investment.

The Company assesses and attempts to minimize the effects of these risks through careful management and planning of its operations and hiring qualified personnel but is subject to a number of limitations in managing risk resulting from its early stage of development. Readers are encouraged to read and consider the risk factors and related uncertainties in the Company's Annual Information Form and Annual Management Discussion and Analysis for the year ended December 31, 2020.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reporting amounts of revenues and expenses during the reporting period. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes may differ materially from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are generally recognized in the period in which the estimates are revised.

Our significant judgments, estimates and assumptions are disclosed in note 2 of the audited consolidated financial statements for the year ended December 31, 2020.

ACCOUNTING POLICIES AND BASIS OF PRESENTATION

The Company's accounting policies are disclosed in note 3 of the Company's audited consolidated financial statements for the year ended December 31, 2020.

NON-IRFS MEASURES

The Company has included certain terms or performance measures commonly used in the mining industry that are not defined under International Financial Reporting Standards ("IFRS") in this MD&A. These include operating costs, AISC, LOM average AISC, LOM average operating cost, and Free Cash Flow. Non-IFRS measures do not have any standardized meaning prescribed under IFRS, and therefore, they may not be comparable to similar measures employed by other companies. The data presented is intended to provide additional information and should not be considered in isolation or as a substitute for measures prepared in accordance with IFRS. These measures do not have any standardized meaning prescribed under IFRS, and therefore may not be comparable to other issuers.

- Operating Costs include mining, processing, general and administrative and other, concentrate transportation costs, treatment and refining charges, and royalties.
- AISC include Operating Costs, closure, and reclamation, and sustaining capital.
- LOM Average AISC includes LOM AISC divided by LOM PdEq.
- LOM Average Operating Cost includes LOM Operating Costs divided by LOM PdEq.
- Free Cash Flow includes total revenue less Operating Costs, working capital adjustments, equipment financing, initial capital, sustaining capital and closure costs.

FINANCIAL RISK MANAGEMENT

The Company examines the various financial risks to which it is exposed and assesses the impact and likelihood of those risks. These risks include credit risk, liquidity risk, foreign currency risk, interest rate risk, other price risk and fair valuation risk, and are detailed in Note 4 of the Company's audited consolidated financial statements for the year ended December 31, 2020.

Credit Risk

Credit risk is the financial risk of non-performance of a contracted counter party. The Company's credit risk is primarily attributable to cash and receivables. The Company reduces its credit risk by maintaining its cash with a Canadian chartered bank. The Company's maximum exposure to credit risk as at March 31, 2021 is the carrying value of cash and receivables. The credit risk on receivables is deemed low as the majority is related to federal government refunds.

Liquidity Risk

Liquidity risk encompasses the risk that the Company cannot meet its financial obligations in full. The Company's main source of liquidity is its cash and marketable securities. These funds are primarily used to finance working capital, exploration and evaluation expenditures, capital expenditures, and acquisitions. The Company manages its liquidity risk by regularly monitoring its cash flows from operating activities and holding adequate amounts of cash. As at March 31, 2021, the Company has current assets of $14,605,831 (December 31, 2020 - $14,857,059) to cover current liabilities of $1,376,030 (December 31, 2020 - $1,767,198). The current assets include restricted cash, marketable securities, receivables and prepaid expenses. The Company also manages liquidity risk on the basis of expected maturity dates. The following table analyzes financial liabilities by remaining contractual maturity (contractual and undiscounted cash flows).

	Lease liability (undiscounted)	Accounts payable and accrued liabilities	Total
Less than 1 year	$ 130,044	$ 1,342,211	$ 1,472,255
1-5 years	488,343	-	488,343
Balance at March 31, 2021	**$ 618,387**	**$ 1,342,211**	**$ 1,960,598**

Foreign Currency Risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in foreign exchange rates. The Company has no significant exposure to foreign currency exchange risk as it has no significant transaction balances denominated in a foreign currency.

Interest Rate Risk

Interest rate risk is the risk borne by an interest-bearing asset or liability as a result of fluctuations in interest rates.

Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. The Company is exposed to fluctuations in market prices of its marketable securities in a quoted mining exploration company. The fair value of these financial instruments represents the maximum exposure to price risk.

If the quoted price of these instruments had changed by 10% as at March 31, 2021, comprehensive income would have changed by approximately $375,000.

Fair Value

The carrying value of cash, accounts payable and accrued liabilities are considered to be representative of their fair value due to their short-term nature. Marketable securities are recorded at fair value as of March 31, 2021 and classified as Level 1 in the fair value hierarchy as they are recorded at fair value by reference to market quoted prices.

INTERNAL CONTROL OVER FINANCIAL REPORTING

The President and Chief Executive Officer and Chief Financial Officer of the Company are responsible for designing internal controls over financial reporting or causing them to be designed under their supervision in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Company's internal control framework was designed based on the Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

There was no change in the Company's internal controls over financial reporting that occurred during the year ended March 31, 2021 that has materially affected, or is reasonably likely to materially affect, the Company's internal controls over financial reporting.

Disclosure Controls and Procedures

Disclosure controls and procedures have been designed to provide reasonable assurance that all relevant information required to be disclosed by the Company is accumulated and communicated to senior management as appropriate to allow timely decisions regarding required disclosure. The Company's President and Chief Executive Officer and Chief Financial Officer have concluded, based on their evaluation of the design of the disclosure controls and procedures, that as of March 31, 2021, the Company's disclosure controls and procedures have been designed to provide reasonable assurance that material information is made known to them by others within the Company.

Limitations of Controls and Procedures

The Company's management, including the Chief Executive Officer and President and Chief Financial Officer, believe that any internal controls over financial reporting and disclosure controls and procedures, no matter how well designed, can have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance that the objectives of the control system are met.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). Forward-looking statements reflect current expectations or beliefs regarding future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates", "targets" or "believes", or variations of, or the negatives of, such words and phrases or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved, including statements relating to the Company's Feasibility Study and results therefrom (including NPV, IRR, capital and operating costs and other financial metrics), Mineral Resource and Mineral Reserve potential, exploration plans, or the ability of the Company and Sibanye Stillwater to vary their respective participating interests in the Marathon Property. All forward-looking statements, including those herein are qualified by this cautionary statement.

Although the Company believes that the expectations expressed in such statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the statements. There are certain factors that could cause actual results to differ materially from those in the forward-looking information. These include commodity price volatility, continued availability of capital and financing, uncertainties involved in interpreting geological data, increases in costs, environmental compliance and changes in environmental legislation and regulation, the Company's relationships with First Nations communities, exploration successes, and general economic, market or business conditions, as well as those risk factors set out in the Company's AIF for the year ended December 31, 2020, the Technical Report dated March 23, 2021 and in the continuous disclosure documents filed by the Company on SEDAR at www.sedar.com. Readers are cautioned that the risk factors and related uncertainties in the Company's Annual Information Form and Annual Management Discussion and Analysis for the year ended December 31, 2020 is not exhaustive of the factors that may affect forward-looking statements. Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date or dates specified in such statements.

Forward-looking statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions relating to: the availability of financing for the Company's operations; operating and capital costs; results of operations; the mine development and production schedule and related costs; the supply and demand for, and the level and volatility of commodity prices; timing of the receipt of regulatory and governmental approvals for development projects and other operations; the accuracy of Mineral Reserve and Mineral Resource Estimates, production estimates and capital and operating cost estimates; and general business and economic conditions.

Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking information. For more information on the Company, investors are encouraged to review the Company's public filings on SEDAR at www.sedar.com. The Company disclaims any intention or obligation to update or revise any forward- looking information, whether as a result of new information, future events or otherwise, other than as required by law.

Information Concerning Estimates of Mineral Reserves and Resources

The Mineral Reserve and Mineral Resource estimates in this MD&A have been disclosed in accordance with NI 43-101, which differs significantly from the requirements of the U.S. Securities and Exchange Commission (the "SEC"), and information with respect to mineralization and Mineral Reserves and Mineral Resources contained herein may not be comparable to similar information disclosed by U.S. companies. The requirements of NI 43-101 for identification of ''reserves'' are not the same as those of the SEC, and reserves reported by the Company in compliance with NI 43-101 may not qualify as ''reserves'' under SEC standards. Under U.S. standards, mineralization may not be classified as a ''reserve'' unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. In addition, and without limiting the generality of the foregoing, this MD&A uses the terms ''Measured Resources'', ''Indicated Resources'' and ''Inferred Resources''. U.S. investors are advised that, while such terms are recognized and required by Canadian securities laws, the SEC has not recognized them in the past. U.S. investors are cautioned not to assume that any part of a ''Measured Resource'' or ''Indicated Resource'' will ever be converted into a ''reserve''. U.S. investors should also understand that ''Inferred Resources'' have a great amount of uncertainty as to their existence and as to their economic and legal feasibility. It cannot be assumed that all or any part of ‘‘Inferred Resources’’ exist, are economically or legally mineable or will ever be upgraded to a higher category. Under Canadian securities laws, ‘‘Inferred Resources’’ may not form the basis of feasibility or pre-feasibility studies except in certain cases. Disclosure of ‘‘contained ounces’’ in a Mineral Resource is a permitted disclosure under Canadian securities laws, however, the SEC normally only permits issuers to report mineralization that does not constitute ‘‘reserves’’ by SEC standards as in place tonnage and grade, without reference to unit measures. Accordingly, information concerning mineral deposits set forth in this MD&A may not be comparable with information made public by companies that report in accordance with U.S. standards.

The SEC has adopted amendments to its disclosure rules to modernize the mineral property disclosure requirements under the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”). These amendments became effective February 25, 2019 (the “SEC Modernization Rules”) with compliance required for the first fiscal year beginning on or after January 1, 2021. Under the SEC Modernization Rules, the historical property disclosure requirements for mining registrants included in Industry Guide 7 under the U.S. Securities Act of 1933, as amended, will be rescinded and replaced with disclosure requirements in subpart 1300 of SEC Regulation S-K. As a result of the adoption of the SEC Modernization Rules, the SEC now recognizes estimates of “Measured Mineral Resources”, “Indicated Mineral Resources” and “Inferred Mineral Resources.” In addition, the SEC has amended its definitions of “Proven Mineral Reserves” and “Probable Mineral Reserves” to be “substantially similar” to the corresponding standards under NI 43-101. While the SEC will now recognize “Measured Mineral Resources”, “Indicated Mineral Resources” and “Inferred Mineral Resources”, U.S. investors should not assume that any part or all of the mineralization in these categories will ever be converted into a higher category of Mineral Resources or into Mineral Reserves. Mineralization described using these terms has a greater amount of uncertainty as to its existence and feasibility than mineralization that has been characterized as reserves. Accordingly, U.S. investors are cautioned not to assume that any Measured Mineral Resources, Indicated Mineral Resources, or Inferred Mineral Resources that the Company reports are or will be economically or legally mineable. Further, “Inferred Mineral Resources” have a greater amount of uncertainty as to their existence and as to whether they can be mined legally or economically. Therefore, U.S. investors are also cautioned not to assume that all or any part of the “Inferred Mineral Resources” exist. There is no assurance that any Mineral Reserves or Mineral Resources that the Company may report as “Proven Mineral Reserves”, “Probable Mineral Reserves”, “Measured Mineral Resources”, “Indicated Mineral Resources” and “Inferred Mineral Resources” under NI 43-101 would be the same had the Company prepared the reserve or resource estimates under the standards adopted under the SEC Modernization Rules.

Mineral Resources are not Mineral Reserves, and do not have demonstrated economic viability, but do have reasonable prospects for economic extraction. Measured and Indicated Mineral Resources are sufficiently well defined to allow geological and grade continuity to be reasonably assumed and permit the application of technical and economic parameters in assessing the economic viability of the Mineral Resource. Inferred Mineral Resources are estimated on limited information not sufficient to verify geological and grade continuity or to allow technical and economic parameters to be applied. Inferred Mineral Resources are too speculative geologically to have economic considerations applied to them to enable them to be categorized as Mineral Reserves. There is no certainty that Mineral Resources of any classification can be upgraded to Mineral Reserves through continued exploration.

The Company’s Mineral Reserve and Mineral Resource figures are estimates and the Company can provide no assurances that the indicated levels of mineral will be produced or that the Company will receive the price assumed in determining its Mineral Reserves. Such estimates are expressions of judgment based on knowledge, mining experience, analysis of drilling results and industry practices. Valid estimates made at a given time may significantly change when new information becomes available. While the Company believes that these Mineral Reserve and Mineral Resource Estimates are well established and the best estimates of the Company’s management, by their nature Mineral Reserve and Mineral Resource Estimates are imprecise and depend, to a certain extent, upon analysis of drilling results and statistical inferences which may ultimately prove unreliable. If the Company’s Mineral Reserve or

Mineral Reserve Estimates are inaccurate or are reduced in the future, this could have an adverse impact on the Company's future cash flows, earnings, results or operations and financial condition.

The Company estimates the future mine life of the Marathon Project. The Company can give no assurance that its mine life estimate will be achieved. Failure to achieve this estimate could have an adverse impact on the Company's future cash flows, earnings, results of operations and financial condition.