

Northern Lights Resources Corp.

Management Discussion and Analysis

For the Year Ended April 30, 2020

August 28, 2020

The following discussion and analysis should be read in conjunction with the audited financial statements for the year ended April 30, 2020, and related notes included therein, prepared in accordance with International Financial Reporting Standards (“IFRS”). All monetary amounts, unless otherwise indicated, are expressed in Canadian dollars. Additional regulatory filings for the Company can be found on the SEDAR website at www.sedar.com. The Company’s website can be found at www.northernlightsresources.com.

Northern Lights Uranium Corp. (the “Company”) was incorporated under the laws of British Columbia on March 28, 2007. On April 22, 2008, the Company changed its name to Northern Lights Resources Corp. The Company’s principal business activities include the acquisition and exploration of resource properties.

On July 4, 2019, the Company a non-brokered private placement of 3,420,000 units at a price of \$0.05 per unit for gross proceeds of \$171,000, of which \$60,000 was received during year ended April 30, 2019. Each unit consists of one common share and one share purchase warrant, of which \$68,400 was allocated to the warrant component of the unit offering completed. Each warrant is exercisable into one common share at a price of \$0.075 until July 4, 2021.

On December 2, 2019, the Company issued 2,000,000 common shares (valued at \$80,000) pursuant to the option payment of the Secret Pass Gold Project.

On January 17, 2020, the Company closed a non-brokered private placement of 12,627,772 units at a price of \$0.05 per unit for gross proceeds of \$631,388. Each unit consists of one common share and one share purchase warrant, of which \$nil was allocated to the warrant component of the unit offering completed. Each warrant is exercisable into one common share at a price of \$0.075 until January 20, 2022.

On January 17, 2020, the Company issued 1,330,650 common shares (valued at \$33,266) pursuant to the option payment of the Medicine Spring Project.

Forward-Looking Statements

Certain statements contained in this document constitute “forward-looking statements”. When used in this document, the words “may”, “would”, “could”, “will”, “intend”, “plan”, “propose”, “anticipate”, “believe”, “forecast”, “estimate”, “expect” and similar expressions, as they relate to the Company or its management, are intended to identify forward-looking statements. Such statements reflect the Company’s current views with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the Company’s actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. Forward-looking statements herein include, but is not limited to, statements relating to the timing, availability and amount of financings; expected use of proceeds; business objectives; the costs and timing relating to the potential acquisition of interests in mineral properties; the timing and costs of future exploration activities on the Company’s future properties; success of exploration activities; permitting time lines and requirements for additional capital. In making forward-looking statements herein, the Company has applied several material assumptions, including, but not limited to, any additional financing needed will be available on reasonable terms, that general business and economic conditions will not change in a materially adverse manner, and that all necessary governmental approvals for the future exploration will be obtained in a timely manner and on acceptable terms. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward looking statements. Such risks and other factors include, among others, risks

related to the completion of financings and the use of proceeds; operations and contractual obligations; changes in exploration programs based upon results of exploration; future prices of metals; availability of third party contractors; availability of equipment; failure of equipment to operate as anticipated; accidents, effects of weather and other natural phenomena and other risks of the mineral exploration industry; environmental risks; community relations; and delays in obtaining governmental approvals or financing.

Overview and Going Concern

The Company is in the business of acquiring exploration and evaluation assets. The Company currently has negotiated two property agreements, a property option agreement and a earn-in-agreement (“*see mineral property agreements*” below) and is in the process of looking for an acquisition of additional exploration and evaluation assets. Further, the Company expects its current capital resources will not be sufficient to complete its exploration plans and operations through its current operating year and will be required to raise additional funds through future equity issuances. The Company’s ability to continue as a going concern is therefore dependent on its ability to raise additional funds through equity issuances. These material uncertainties may cast significant doubt on the entity’s ability to continue as a going concern.

The financial statements for the year ended April 30, 2020 were prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future. The financial statements do not include any adjustments relating to the recoverability and classification of recorded assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

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

Results of Operations

The results of operations reflect the overhead costs incurred by the Company to maintain good standing with the various regulatory authorities and to provide an administrative infrastructure to manage the acquisition, and financing activities of the Company. General and administrative costs can be expected to increase or decrease in relation to the changes in activity required as property acquisitions continues. The Company has not recorded, since the date of its incorporation, any revenues from its mineral exploration and development activities, nor does it expect to record any revenue over the course of the next 12 months.

Mineral Properties

i) Medicine Springs Property

The Company entered into a mineral property option agreement dated August 20, 2017 to acquire 100% of the property in southeastern Elko County, Nevada.

The option agreement is for a 6-year term. Completion of the option agreement is subject to staged payments of cash totaling \$950,000, equity consideration of \$250,000 and a minimum expenditure on the property of \$2,700,000. The agreement was amended in July 2020 to extend certain due dates.

Northern Lights Resources has the option to proceed with each subsequent Phase in the Option Agreement upon the completion of all cash and equity consideration payments to the vendors in addition to meeting the minimum exploration expenditure payments defined for each Phase of the Option Agreement.

- a) Cash payments
 - a) Phase 1B - USD \$25,000 (paid)
 - b) Phase 2 - USD \$50,000 by December 31, 2020 (“Phase 2 Commencement Date”).
 - c) Phase 3 - USD \$100,000 by December 31, 2021 (“Phase 3 Commencement Date”).
 - d) Phase 4 - USD \$150,000 within 30 days of completion of all phase 3 requirements (“Phase 4 Commencement Date”).
 - e) Phase 5 - USD \$200,000 within 30 days of completion of all phase 4 requirements (“Phase 5 Commencement Date”).
 - Phase 6 - USD \$425,000 within 30 days of completion of all phase 5 requirements (“Phase 6 Commencement Date”).

- b) Share issuance
 - a) Phase 2 - issuance of common shares with a fair market value of USD \$50,000 by December 31, 2021 (issued 1,330,650 common shares fair valued at \$33,266).
 - b) Phase 3 - issuance of common shares with a value of USD \$50,000 by December 31, 2021.
 - c) Phase 4 - issuance of common shares with a value of USD \$50,000 after the Phase 4 Commencement Date.
 - d) Phase 5 - issuance of common shares with a value of USD \$50,000 after the Phase 5 Commencement Date.
 - e) Phase 6 - issuance of common shares with a value of USD \$50,000 after the Phase 6 Commencement Date.

- c) Exploration expenditures
 - a) incur USD \$25,000 in exploration upon execution of the agreement (incurred).
 - b) Phase 1B - incur USD \$225,000 by December 31, 2020.
 - c) Phase 2 - incur USD \$300,000 by December 31, 2020.
 - d) Phase 3 - incur USD \$400,000 by December 31, 2021.
 - e) Phase 4 - incur USD \$500,000 within 1 year of the Phase 4 Commencement Date.
 - f) Phase 5 - incur USD \$500,000 within 1 year of the Phase 5 Commencement Date.
 - g) Phase 6 - incur USD \$750,000 within 1 year of the Phase 6 Commencement Date.

d) NSR

The mineral claims comprising the Property, are subject to a 2% Net Smelter Royalty ('NSR') with an additional 0.5% NSR applicable to the 123 claims previously owned by Newmont Mining Corporation.

e) Exploration expenditures – completed as of April 30, 2020

i) the Company incurred US\$24,887 of expenditures by making payments: (i) US\$23,095 to the United States Department of the Interior Bureau of Land Management, and (ii) US\$1,792 to the Elko County Recorder's Office for 2017 taxation year.

ii) the Company incurred US\$25,093 of expenditures by making payments: (i) US\$23,195 to the United States Department of the Interior Bureau of Land Management, and (ii) US\$1,898 to the Elko County Recorder's Office for 2018 taxation year.

iii) the Company has paid the cash option payment of US\$25,000.

iv) the Company incurred US\$179,419 (C\$192,420) of exploration expenditures as of April 30, 2020 on the Medicine Property.

ii) Secret Pass Gold Project

During the year ended April 30, 2020, the Company entered into an option agreement, subsequently amended, to acquire 100% interest in the Secret Pass Gold Project located in northwestern Arizona. Under the term of the agreement, the Company holds an exclusive option to acquire the project until September 20, 2019. The Company was granted an additional extension on the option to November 8, 2019 for additional consolidation of US\$25,000 (paid).

Pursuant to the option agreement, the Company agrees to make the following consideration payments:

- a) within 5 working days following the exercise of the option, the Company will pay cash consideration of US\$50,000 (paid);
- b) within 30 days following the exercise of the option, the Company will issue 2,000,000 common shares (issued and valued at \$80,000); and
- c) under the terms of the agreement, the Company will make the following additional payments:
 - i) US\$175,000 on or before September 20, 2019 (paid); and
 - ii) US\$125,000 on or before November 8, 2019 (paid).

There are no third-party royalties payable on future production from the project.

Revenues

Due to the Company's status as an exploration and development stage mineral resource company, and a historical lack of commercial production from its former property, the Company currently does not have any revenues from its operations, nor does it expect to record any revenue over the course of the next 12 months. .

Selected Annual Information

	Year Ended April 30, 2020	Year Ended April 30, 2019	Year Ended April 30, 2018
Interest Income	\$ -	\$ -	\$ -
Exploration and Evaluation Assets	950,446	284,353	65,069
Deficit	5,781,179	5,350,814	4,108,144
Net Loss	(430,365)	(1,242,670)	(369,173)
Basic and Diluted Loss Per Share	(0.01)	(0.03)	(0.02)

Fourth Quarter Results

The Company did not have any significant events or transactions in the quarter ended April 30, 2020 to report.

General and Administrative Expenses

The Company incurred a loss and comprehensive loss for the year ended April 30, 2020 of \$430,365 (2019 - \$1,242,670).

A brief explanation of the significant changes in expense categories is provided below:

- i) Consulting fees of \$34,208 (2019 - \$32,578) related to the hiring of a consultant for communication services during the current year.
- ii) Office & miscellaneous of \$14,278 (2019 - \$18,653) decreased due to less activities during the current year.
- iii) Professional fees of \$48,708 (2019 - \$39,067) increased due to higher accounting fees during the current year.
- iv) Promotion and advertisement of \$96,594 (2019 - \$280,100) decreased due to the Company's cost-saving efforts during the current year.
- v) Share-based compensation of \$Nil (2019 - \$332,300) decreased due to no options granted during the current year.
- vi) Travel and accommodation of \$22,679 (2019 - \$33,101) decreased due to fewer trips taken for conferences and meetings during the current year.
- vii) Write-off of accounts payable gain of \$4,329 (2019 - \$11,200) as a result of the outstanding amount has exceeded the statute of limitations during the comparative year.
- viii) Write-off of exploration and evaluation assets of \$Nil (2019 - \$74,617) due to management decision to terminate the Del Undur project and write-off the capitalized costs and the termination cost.
- ix) Write-off of prepaid expenses of \$Nil (2019 - \$232,500) due to the uncertainty regarding collectability of prepaid expenses in comparative year.

Summary of Quarterly Results

The following table sets out selected consolidated quarterly information for the last eight quarters.

Three Months Ended	April 30, 2020	January 31, 2020	October 31, 2019	July 31, 2019
Interest Income	\$ -	\$ -	\$ -	\$ -
Exploration and Evaluation Assets	950,446	917,180	403,558	289,813
Deficit	5,781,179	5,669,485	5,539,796	5,437,752
Net Loss	(111,694)	(129,689)	(102,044)	(86,938)
Basic and Diluted Loss Per Share	(0.00)	(0.00)	(0.00)	(0.00)
Three Months Ended	April 30, 2019	January 31, 2019	October 31, 2018	July 31, 2018
Interest Income	\$ -	\$ -	\$ -	\$ -
Exploration and Evaluation Assets	284,353	243,487	175,257	101,498
Deficit	5,350,814	4,986,508	4,418,576	4,204,578
Net Loss	(364,306)	(567,932)	(213,998)	(96,434)
Basic and Diluted Loss Per Share	(0.00)	(0.01)	(0.00)	(0.00)

Liquidity and Capital Resources

At April 30, 2020, the Company had cash of \$6,236 (2019 – \$10,282).

At April 30, 2020, the Company had a working capital deficiency of \$345,968 (2019 - \$111,374).

The Company expects its current capital resources will not be sufficient to meet its business objectives or day-to-day operations through its next quarter or current operating year, and that its continuation as a going concern will be dependent on its ability to raise additional funds through equity issuances. There is no guarantee the Company will be successful in that regard. See “Overview and Going Concern” above.

During the year ended April 30, 2020, the Company:

- i) closed a non-brokered private placement of 3,420,000 units at a price of \$0.05 per unit for gross proceeds of \$171,000, of which \$60,000 was received during year ended April 30, 2019. Each unit consists of one common share and one share purchase warrant, of which \$68,400 was allocated to the warrant component of the unit offering completed. Each warrant is exercisable into one common share at a price of \$0.075 until July 4, 2021.
- ii) issued 2,000,000 common shares (valued at \$80,000) pursuant to the option payment of the Secret Pass Gold Project.
- iii) closed a non-brokered private placement of 12,627,772 units at a price of \$0.05 per unit for gross proceeds of \$631,388. Each unit consists of one common share and one share purchase warrant, of which \$nil was allocated to the warrant component of the unit offering completed. Each warrant is exercisable into one common share at a price of \$0.075 until January 20, 2022.

- iv) issued 1,330,650 common shares (valued at \$33,266) pursuant to the option payment of the Medicine Spring Project.

Financial Risk Factors

The Company's financial instruments consist of cash, receivables, accounts payable and accrued liabilities, and loans payables. The fair value of these financial instruments, other than cash, approximates their carrying values due to the short-term nature of these instruments. Cash is measured at fair value using level 1 inputs.

The Company is exposed to a variety of financial risks by virtue of its activities including currency, credit, interest rate, liquidity and commodity price risk.

- a) Currency risk

The Company is exposed to nominal foreign currency risk.

- b) Credit risk

Credit risk is risk of financial loss to the Company if the counterparty to a financial statement fails to meet its contractual obligations. The Company's cash is held in large Canadian financial institutions and is not exposed to significant credit risk.

- c) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to limited interest rate risk as it only holds non-interest bearing debt.

- d) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they come due. At April 30, 2020, the Company had cash of \$6,236 and current liabilities of \$367,016. This emphasizes that the Company's ability to continue as a going concern is dependent on management's ability to raise the required capital through future equity or debt issuances. See "Liquidity and Capital Resources" above. There is no guarantee that the Company will be able to raise capital. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the directors are actively involved in the review, planning, and approval of significant expenditures and commitments.

- e) Price risk

The ability of the Company to explore and develop its exploration and evaluation assets and the future profitability of the Company are directly related to the price of natural resource commodities. The Company monitors these prices to determine the appropriate course of action to be taken.

Related Party Transactions

The Company defines key management as officers and directors. During the year ended April 30, 2020, the Company:

- i) paid or accrued management fees of \$90,000 (2019 - \$77,500) to a director of the Company.
- ii) paid or accrued management fees of \$90,000 (2019 - \$107,500) to the Chief Executive Officer ("CEO") of the Company.

- iii) paid or accrued professional fees of \$12,000 (2019 - \$12,000) to the Chief Financial Officer (“CFO”) of the Company.
- iv) recorded share-based compensation of \$Nil (2019 - \$180,810) related to options granted to officers and directors of the Company.

Included in prepaid expenses as at April 30, 2020 is \$Nil (April 30, 2019 - \$8,840) paid to a Company’s director.

Included in accounts payable and accrued liabilities as at April 30, 2020 is \$133,581 (April 30, 2019 - \$4,393) owed to officers of the Company.

Included in loans payable as at April 30, 2020 is \$30,000 (April 30, 2019 - \$Nil) owed to a director of the Company.

Off Balance Sheet Arrangements

The Company is not a party to any off balance sheet arrangements or transactions.

Changes in Accounting Policies and Future Accounting Pronouncements

Please refer to the financial statements for the year ended April 30, 2020 located on www.sedar.com.

Critical Accounting Estimates

Please refer to the financial statements for the year ended April 30, 2020 located on www.sedar.com.

Contingencies

There are no contingent liabilities.

Management’s Responsibility for Financial Statements

The information provided in this report, including the financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgements and have been properly reflected in the financial statements.

Other MD&A Requirements

As at August 28, 2020, the Company had the following outstanding:

Common shares – 89,520,654 outstanding

Options

Options Outstanding	Exercise Price	Expiry Date
2,550,000	\$0.10	7-Nov-23
3,904,065	\$0.05	23-July-25
6,454,065		

Warrants

Warrants Outstanding	Exercise Price	Expiry Date
11,005,000	\$0.20	2-Oct-20
3,420,000	\$0.075	4-Jul-21
12,627,772	\$0.075	20-Jan-22
17,152,772		