NorthWestcopper

(Formerly Serengeti Resources Inc.)

# MANAGEMENT DISCUSSION AND ANALYSIS

For The Three and Seven Months Ended September 30, 2021

# NorthWest Copper Corp.
# (formerly Serengeti Resources Inc.)
# Management's Discussion and Analysis
# For the three and seven months ended September 30, 2021

This Management's Discussion and Analysis (the "MD&A"), dated as of November 24, 2021, is for the three and seven months ended September 30, 2021 and should be read in conjunction with the unaudited condensed interim consolidated financial statements for the three and seven months ended September 30, 2021 of NorthWest Copper Corp. (the "Interim Financial Statements") (also referred to as "NorthWest", or the "Company", or "we", or "our", or "its" or "us" within this MD&A), including the related notes thereto (together, the "Annual Financial Statements").

This MD&A contains forward looking statements that involve numerous risks and uncertainties. The Company continually seeks to minimize its exposure to business risks, but by nature of its business and exploration activities and size, will always have some risk. These risks are not always quantifiable due to their uncertain nature. Should one or more of these risks and uncertainties, including those set forth in this MD&A under the headings "Cautionary Notes Regarding Forward-Looking Statements" materialize, or should underlying assumptions prove incorrect, then actual results may vary materially from those described in forward-looking statements.

The written disclosure of technical information in this MD&A has been reviewed, verified and approved by Ian Neill, P.Geo, Vice President, Exploration of the Company and a Qualified Person ("QP") for the purposes of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("NI 43-101"). Readers are directed to the section entitled "Scientific and Technical Disclosure" included within this MD&A.

## Introductory Comments

The Company's head office and principal address is located at Suite 1900-1055 West Hastings St., Vancouver British Columbia, Canada V6E 2E9. The Company's records office and registered office address is 2200-885 West Georgia St., Vancouver British Columbia, Canada V6C 3E8.

NorthWest is a mineral exploration and development company advancing its portfolio of projects in north-central British Columbia, including Kwanika, the Company's copper-gold resource-stage project, which is held indirectly through Kwanika Copper Corporation ("KCC"), a joint venture company owned approximately 69% by NorthWest and 31% by POSCO International Corporation ("PIC"), and the 100% owned high-grade copper-gold Stardust Project. The Company is listed on the TSX Venture Exchange ("Exchange") under the trading symbol "NWST". All dollar amounts stated in the MD&A are expressed in Canadian dollars unless noted otherwise.

On March 5, 2021, following receipt of shareholder approval on February 26, 2021, the Company consolidated all the issued and outstanding common shares on a two for one basis (the "Consolidation"). The Consolidation reduced the common shares issued and outstanding at March 5, 2021 from 112,153,368 pre-consolidated to 56,076,589 post-consolidated common shares. The comparative period number of shares presented in the MD&A have been retroactively adjusted to reflect the share two for one consolidation.

During the seven months ended September 30, 2021, the Company changed its fiscal year end to December 31, from February 28. The Company's interim transition period is the seven months ended September 30, 2021, and the comparative period is the six months ended August 31, 2020. The Company's annual transition period is the ten months ended December 31, 2021, and the comparative period is the twelve months ended February 28, 2021. The new financial year will align the Company with its peer group in the mineral resources sector. For additional information see the Notice filed on SEDAR on June 10, 2021.

## Merger Transaction with Sun Metals Corp.

On March 5, 2021, the Company announced it had completed the previously announced plan of arrangement under the Business Corporations Act (British Columbia) (the "Arrangement") with Sun Metals Corp. ("Sun Metals") pursuant to which NorthWest acquired all of the issued and outstanding shares of Sun Metals (the "Transaction") on the basis of 0.215 common shares of NorthWest (on a post-Consolidation basis) for each share of Sun Metals held.

In connection with the Transaction, on December 17, 2020 Sun Metals closed an agreement with a syndicate of underwriters co-led by PI Financial Corp. and Haywood Securities Inc. in connection with a bought deal private placement financing (the "Transaction Offering") of an aggregate of 82,800,000 subscription receipts (the "Subscription Receipts") at a price of $0.125 per Subscription Receipt for gross proceeds of $10,350,000. The gross proceeds of the Offering (less 50% of the underwriter's 6% cash commission and all of the underwriters' expenses) were held in escrow pending satisfaction of certain conditions, including, amongst others, (a) the satisfaction or waiver of each of the conditions precedent to the Transaction; and (b) the receipt of all required shareholder and regulatory approvals in connection with the Transaction and the Transaction Offering, including the conditional approval of the Exchange (collectively, the "Escrow Release Conditions").

The Escrow Release Conditions were satisfied on March 4, 2021, upon which each Subscription Receipt automatically converted into one Unit (each, a "Unit") of Sun Metals. Each Unit consisted of one common share of Sun Metals and one-half of one common share purchase warrant.

As a result of the closing of the Arrangement, the following events occurred:

1. Sun Metals became a wholly owned subsidiary of NorthWest;
2. Pursuant to the Arrangement, the Company issued 55,322,966 common shares, 2,866,523 stock options with a weighted average exercise price of $1.09, and 15,423,541 warrants with a weighted average exercise price of $1.05 to former Sun Metals securityholders;
3. Upon receiving final acceptance from the Exchange, the Company changed its name to NorthWest Copper Corp. and began trading on the Exchange under the symbol "NWST".

Additional information regarding the Transaction is available on SEDAR at www.sedar.com

## Additional Highlights and Recent Events

### High Grade Drill Results at Kwanika

Diamond drilling began at the Kwanika project on June 12, 2021 with two diamond drill rigs. The Kwanika program was completed in September 2021, and consisted of 22 holes for a total of 9,306 metres. The first phase of the drill program targeted the high-grade portion of the Kwanika deposit, and the second phase of the drill program tested high-priority regional program targets around Kwanika. Drilling highlights received to date include[1]:

- K-21-218: 366.00 metres of 0.61% copper equivalent ("CuEq") including 106.10 metres of 1.27% CuEq;
- K-21-217: 235.45 metres of 2.92% CuEq including 153.25 metres of 4.13% CuEq;
- K-21-216: 250.60 metres of 1.36% CuEq including 71.90 metres of 2.64% CuEq;
- K-21-214: 63.5 metres at 0.77% CuEq;
- K-21-213: 38.5 metres at 0.85% CuEq;
- K-21-212: 202.2 metres at 0.74% CuEq including 45.8 metres at 1.57% CuEq;
- K-21-211: 137.5 metres at 0.91% CuEq including 71 metres at 1.34% CuEq;
- K-21-210: 416.50 metres at 0.87% CuEq including 100.50 metres at 1.91% CuEq;
- K-21-209: 154.5 metres at 0.93% CuEq including 53 metres at 1.66% CuEq;
- K-21-208: 196 metres at 0.65% CuEq including 52.5 metres at 1.47% CuEq;
- K-21-207: 187 metres at 0.81% CuEq including 73.0 metres at 1.22% CuEq;
- K-21-205: 230.95 metres at 0.99% CuEq including 94.6 metres at 1.62% CuEq.

[1] See News Releases dated September 9, 2021, September 28, 2021, October 27, 2021 and November 16, 2021 available at www.northwestcopper.ca and the Company's profile at www.sedar.com

Drilling returned multiple high-grade assay results and appears to confirm that the optimal drilling strategy in to complete angle holes across the high-grade. During the course of the drilling a new style of mineralization was discovered in hole K-21-217. This hole drilled very high grade copper in what appears to be a mineralized breccia zone which cross-cuts the porphyry mineralization. Follow up will start in 2022.

**Initiated inaugural drill program at East Niv**

In July, 2021 the Company announced the start of the first drill program with one diamond drill rig at the East Niv property in central British Columbia, targeting anomalous geophysics and geochemistry completed in previous years. A program of 10 holes for a total of 2,915 metres was completed in September 2021, and results will be released as assays are received. Drilling highlights received to date include[2]:

- ENV-21-004: 81.60 metres of 0.56% CuEq including 42.90 metres of 0.78% CuEq;
- ENV-21-001: 72.30 metres of 0.25% CuEq including 16.05 metres of 0.32 % CuEq.

Initial results are highly encouraging, with grades higher than encountered in surface sampling, and follow-up drilling is expected to be budgeted for in 2022.

**Commenced drill program at Stardust**

In September, 2021 the Company commenced a drill program with one diamond drill rig at the Company's Stardust property in central British Columbia. A program of 3 holes for a total of 1,665 metres was completed in September 2021, and results will be released as assays are received.

**Funding future growth**

On November 9, 2021 the Company announced a bought-deal private placement, pursuant to which a syndicate of underwriters led by National Bank (together, the "Underwriters"), have agreed to purchase 16,950,000 charity flow-through common shares (the "Charity FT Shares") on a bought deal private placement basis (the "Offering"). The Charity FT Shares will be sold at a price of C$1.18 per Charity FT Share for aggregate gross proceeds of C$20,001,000. The Company has also granted the Underwriters an option to cover over-allotments for the Charity FT Shares (the "Underwriters' Option"), which will allow the Underwriters to offer up to an additional 15% of the offered Charity FT Shares, on the same terms. The Underwriters' Option may be exercised in whole or in part at any time up 48 hours prior to the closing of the Offering. In consideration for their services, the Underwriters will receive a cash commission equal to 5.0% of the gross proceeds of the Offering, including any proceeds realized from the exercise of the Underwriters' Option.

## Outlook

NorthWest expects to continue exploring Kwanika, Stardust, East Niv and its portfolio of projects with the intent to identify additional mineralization and create shareholder value through discovery and delineation.

NorthWest recently completed an extensive exploration program for 2021 that consisted of drilling and surveying programs at Kwanika, Stardust and East Niv, as well as mapping, sampling and surveying programs at the Lorraine, Top Cat, Arjay, and Tchentlo projects.

Over the coming months, the Company will be focused on:

- completing an updated NI 43-101 compliant mineral resource estimate at Kwanika, expected in calendar Q4 2021;
- completing a NI 43-101 compliant mineral resource estimate at Lorraine, expected in calendar Q4 2021;

[2] See News Release dated November 8, 2021 available at www.northwestcopper.ca and the Company's profile at www.sedar.com

• advancement of a preliminary economic assessment for the combined Kwanika and Stardust projects expected to be completed in Q1 2022;
• planning work programs and budget for calendar 2022 exploration at Kwanika, Stardust, Lorraine and East Niv.

As at September 30, 2021, the Company had spent $5.4 million on exploration activities at East Niv, Lorraine, and other projects owned by the Company, and incurred $3.9 million on exploration activities on behalf of KCC. The Company's exploration expenditures are higher than the 2021 field season budget of $8.5 million primarily due to the drill program conducted at Stardust as well as additional drilling and the completion of an aeromagnetic survey at Kwanika.

## Exploration Projects

## Joint Venture – Kwanika Copper Company

The Kwanika Project is located in the prolific Quesnel Terrane, which hosts numerous porphyry copper-gold deposits such as Mount Milligan, New Afton, and Highland Valley. It is easily accessible by road from the town of Fort St. James, British Columbia.

Kwanika hosts two bulk tonnage calc-alkaline porphyry deposits, the primary Central Zone Cu-Au porphyry, and secondary South Zone Cu-Au-Mo porphyry deposit. The Central Zone was discovered by the Company in 2006 and features both a near surface open-pit resource, and a higher-grade underground resource that has the potential for block cave mining.

On November 24, 2017, NorthWest completed a transaction whereby NorthWest, PIC and KCC signed a definitive joint venture agreement (the "JVA") for the exploration and development of the Kwanika property. Pursuant to the JVA, the respective interests of NorthWest and PIC in the Kwanika Project were transferred to KCC, which serves as the vehicle for the joint venture. As at February 28, 2021, total contributions by NorthWest to KCC were $17,106,571.

Upon completion of the 2020 program, and as a result of sole-funding that program, NorthWest owns 66.949% of KCC, and PIC has diluted on a pro-rata basis to 33.051%.

On March 1, 2021, KCC's shareholders approved a formal budget for CDN $3.5 million and a work program at the Company's property which was submitted by NorthWest as operator. At the shareholders meeting, PIC elected not to participate for its proportionate share of the 2021 Kwanika program and budget, NorthWest elected to participate for its proportionate share and NorthWest also elected to fund the shortfall resulting from PIC's election not to participate. These elections by the shareholders has resulted in 100% of the 2021 Kwanika Program and Budget being funded by NorthWest, from time to time as funds are required. During the four months ended June 30, 2021, NorthWest incurred $1.5 million in costs on behalf of KCC. Following approval of the funding request by the KCC board, the amount owing from KCC to NorthWest was settled in shares, and NorthWest and PIC's corresponding ownership percentages updated to 68.98% and 31.02%, respectively. During the three months ended September 30, 2021, NorthWest incurred $2.4 in costs on behalf of KCC, and subsequent to the period end provided a funding request to KCC. Following approval of the funding request by the KCC board, the amount owing from KCC to NorthWest will be settled in shares, and NorthWest and PIC's corresponding ownership percentages updated.

### Exploration

In addition to the exploration drilling program outlined above, in 2021 the Company also conducted regional exploration on a property wide basis. Work consisted of a property wide low level detailed aeromagnetic survey, along with ground geophysical surveying, soil sampling, stream silt sampling, rock sampling and geologic mapping, Twelve line kilometers of IP sampling was completed on the Rottacker target area to follow up the work completed in 2020. Additional follow up sampling was completed in the South Creek target areas and the Rottacker North target area.

On October 20, 2020, the Company announced it had completed the Kwanika 2020 work program and additional mineralized zones had been intersected in resource step-out drillholes at Kwanika. A total of nine (9) drill holes for

4,350 metres were drilled and tested five exploration and resource expansion targets. Additionally, approximately 16 line-km of induced-polarization ("IP") surveys north and south of the Central Zone resource were carried out to develop known targets, as well as at the Rottacker area located 20 km south of Kwanika.

On December 16, 2020, the Company reported the first batch of assays results from the 2020 work program and on February 2, 2021 the balance of the results.

Highlights from the program include:

DDH K-20-196 intersected a newly recognized deep Cu-Au system that remains open to the north. The hole was drilled toward the west to follow up on a broad halo of anomalous gold intersected in 2016 above a deep geophysical target approximately 500 metres north of the Central Zone resource. The hole intersected two mineralized intervals, the first of which is dominated by intrusive rocks of variable composition hosting disseminated and quartz-vein bearing chalcopyrite and bornite. The lower mineralized interval is dominated by silica-sericite altered diorite-monzodiorite hosting pyrite-chalcopyrite-bornite mineralization.

DDH K-20-197 opened up the Central Zone for expansion below and to the south of the current pit-constrained resource. The hole was drilled to follow up mineralization intersected in K-23 and K-190 with the goal of expanding the open-pit constrained resource and exploring the potential for additional grade along the Central Fault. The hole intersected silica-chlorite-K-feldspar altered diorite-monzodiorite intrusive rocks hosting disseminated and vein-hosted chalcopyrite, bornite and locally native copper, and opens up the Central Zone mineralized system towards the south.

DDH K-20-198 drilled through the underground resource shape to test for higher-grade domains and continuity of mineralization both above and below the proposed underground extraction level, intersected 697.6 metres grading 0.40% Cu, 0.65g/t Au and 1.9 g/t Ag. Substantially higher-grade intervals occur within the underground resource shape highlighting the presence of high-grade domains within the deposit, including 124.3 metres grading 0.70% Cu, 2.10 g/t Au and 3.0 g/t Ag and 66.9 metres grading 0.79% Cu, 1.0 g/t Au and 3.2 g/t Ag. These higher grade intervals are associated with strong K-feldspar-silica-sericite altered intrusive rocks, quartz stockwork zones and syn-post-mineral dyke margins hosting bornite and chalcopyrite. The hole intersected the bounding Pinchi Fault at depth west of where it was previously modelled, which may have implications for resource expansion in that direction.

**Mineral Resource**

An updated mineral resource estimate was published for the Central Zone in April 2019[3]. The updated resource estimate was completed by Moose Mountain Technical Services (MMTS) of Victoria, British Columbia under the direction of Sue Bird, P. Eng., an independent Qualified Person as defined by NI 43-101. The Measured and Indicated (M+I) resource is estimated to contain 1.32 billion pounds of Cu and 1.83 million ounces of Au in addition to a significant Inferred resource (see table below). Importantly, the resource estimate has identified coherent higher-grade domains within the open pit and underground M&I resources. Highlights of the resource estimate include:

- An overall increase in contained metal from the 2016 resource estimate, including increases of 44% for Cu, 32% for Au, and 52% for Ag in the M+I categories;
- Conversion of 42.9 million tonnes of Indicated resources to Measured category, representing approximately 20% of the combined open pit and underground M+I resource; and
- Combined Measured and Indicated (M+I) resource of 223.6 million tonnes grading 0.27% copper, 0.25 g/t gold and 0.87 g/t silver containing 1.32 billion pounds of Cu, 1.83 million ounces of Au and 6.27 million ounces of Ag as summarized in the table below.

The 2019 Central Zone resource was based on 143 holes totaling 65,695 metres drilled at the Central Zone by the Company since 2006 and incorporated drilling results from the 2018 program at Kwanika. Revised grade trends for copper and gold were modelled separately reflecting the presence of multiple mineralizing events and enrichment in gold and copper, resulting in a wider mineralized envelope extending deeper within the Central Zone compared

[3] Please see NI 43-101 technical report titled "NI 43-101 Technical Report for the Kwanika Project Resource Estimate Update 2019," dated April 17, 2019 for further information with respect to the 2019 Kwanika Mineral Resource Estimate, filed under the Company's SEDAR profile at www.sedar.com. As a result of the 2019 Central Zone resource estimate, the NI 43-101 technical report titled "NI 43-101 Technical Report for the Kwanika Project Preliminary Economic Assessment Update 2017" dated April 3, 2017 and filed on the Company's SEDAR profile is considered a historical report and is no longer current.

with the 2016 resource estimate. A revised 3D geological model created in 2018 provided a key input for the new resource model. Furthermore, the 2019 resource was based on more reasonable confining shapes drawing on the 2017 PEA mining shapes for guidance. A total of six (6) resource domains were developed which were based on the geological model and included revised copper mineral speciation modelling as well as trend modelling for gold and copper. Copper and gold were modelled using independent variographic parameters within domains to accurately reflect the grade trends for each metal. Kriging interpolation was used to develop the resource for both gold and copper and was checked against nearest-neighbour (NN) and inverse-distance-cubed (ID3) for each metal to ensure consistency, precision and accuracy.

Table 1: Summary of Total Pit and Underground Resource - Kwanika Central (effective date: December 14, 2018)

| **Pit-Constrained** | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Classification** | **Quantity (Mt)** | **Cut-off (CuEq%)** | **Grade** | | | | **Contained metal** | | |
| | | | **CuEq (%)** | **Cu (%)** | **Au (g/t)** | **Ag (g/t)** | **Cu (Mlbs)** | **Au (koz)** | **Ag (koz)** |
| Measured | 24.2 | 0.13 | 0.51 | 0.34 | 0.33 | 1.07 | 179 | 254 | 833 |
| Indicated | 80.4 | | 0.30 | 0.20 | 0.18 | 0.69 | 360 | 454 | 1,784 |
| **Total M+I** | **104.6** | | **0.35** | **0.23** | **0.21** | **0.78** | **540** | **708** | **2,617** |
| Inferred | 5.7 | | 0.23 | 0.16 | 0.13 | 0.65 | 20 | 25 | 119 |
| **Underground** | | | | | | | | | |
| **Classification** | **Quantity (Mt)** | **Confining Shape Basis (CuEq%)** | **Grade** | | | | **Contained metal** | | |
| | | | **CuEq (%)** | **Cu (%)** | **Au (g/t)** | **Ag (g/t)** | **Cu (Mlbs)** | **Au (koz)** | **Ag (koz)** |
| Measured | 18.7 | 0.27 confining shape - | 0.58 | 0.36 | 0.40 | 1.15 | 151 | 239 | 692 |
| Indicated | 100.2 | | 0.44 | 0.29 | 0.27 | 0.92 | 634 | 884 | 2,964 |
| **Total M+I** | **118.9** | | **0.46** | **0.30** | **0.29** | **0.96** | **784** | **1,123** | **3,656** |
| Inferred | 84.7 | | 0.27 | 0.17 | 0.18 | 0.60 | 319 | 480 | 1,634 |
| **Combined Pit and Underground** | | | | | | | | | |
| **Classification** | **Quantity (Mt)** | **Cut-off (CuEq%)** | **Grade** | | | | **Contained metal** | | |
| | | | **CuEq (%)** | **Cu (%)** | **Au (g/t)** | **Ag (g/t)** | **Cu (Mlbs)** | **Au (koz)** | **Ag (koz)** |
| Measured | 42.9 | As applicable for pit and ug from above | 0.54 | 0.35 | 0.36 | 1.10 | 330 | 493 | 1,525 |
| Indicated | 180.6 | | 0.38 | 0.25 | 0.23 | 0.82 | 994 | 1,338 | 4,748 |
| **Total M+I** | **223.6** | | **0.41** | **0.27** | **0.25** | **0.87** | **1,324** | **1,831** | **6,273** |
| Inferred | 90.4 | | 0.26 | 0.17 | 0.17 | 0.60 | 339 | 504 | 1,753 |

Central Zone Resource Notes:

- Resources are reported within a combined open pit and underground shape to define “reasonable prospects of eventual economic extraction”. Open-pit constrained mineral resources are confined to an open pit shell above the potential block cave and created using an NSR cut-off grade of CAD$11.30. Underground resources contain all material confined within a shape defined by the 0.27% CuEq cut-off. Mineral resources are not mineral reserves and do not have demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate.
- Open pit constrained mineral resources are reported at a copper equivalent cut-off of 0.13% and underground resources report all material within shapes defined by the 0.27% CuEq grade shell. The cut-offs are based on prices of US$3.25/lb of copper, US$1,350/oz of gold, US$17/oz of silver and assumed recoveries of 91% for copper, 75% for gold, 75% for silver.
- Copper equivalents are calculated using the formula below based on metal prices of US$3.25/lb of copper, US$1,350/oz of gold and US$17/oz of silver. Metal recoveries of 91% for copper, 75% for gold and 75% for silver have been applied to the copper equivalent calculations.
- CuEq = Cu% + ((Augpt/31.1034*AuPrice*AuRecovery) + (Aggpt/31.1034*AgPrice*AgRecovery)) / (CuPrice*CuRecovery*22.0462)

## Stardust Project

Pursuant to the Transaction with Sun Metals, the Company acquired a 100% interest in the Stardust Project, a carbonate replacement deposit (“CRD”) located in north-central British Columbia. Stardust is a large mineralized system with true district potential. It features a 2.2-km corridor of mineralization including four mineralization styles typical of a CRD system: porphyry, skarn, manto and epithermal vein. Stardust is one of the few CRD systems with all CRD components fully intact.

The Stardust Project is located in British Columbia, Canada, an area of political stability that has a well established regulatory regime and a government that has demonstrated strong support for the mining industry. In addition to a stable and well-regulated legal and governance environment, infrastructure is a strong contributor to British Columbia's standing as a prime location to operate in and this is particularly true at Stardust. The project is located 38 km east of a rail spur which connects to Prince George, British Columbia, and is located the same distance from a single-phase power grid. A 230-kV power line, which connects the currently closed Kemess mine to the BC power grid, is located approximately 80 km northeast of the project. The project is accessible by road, and is an approximately two hour drive north from Fort St James on maintained Forest Service Roads. Climate conditions are also favorable in the area with moderate precipitation in both summer and winter, meaning year-round road access to Stardust is possible.

**Exploration**

As detailed above, the Company commenced a drill program with one diamond drill rig at the Stardust property in central British Columbia in September. A program of 3 holes for a total of 1,665 metres was completed on September 26th 2021, and results will be released as assays are received. The Company continues to evaluate the historic exploration completed at Stardust to develop further drill targets.

Approximately $25 million has been invested in historic exploration including 80,000 metres of drilling over 390 holes, 5,800 soil samples, two airborne magnetic and extensive mapping and prospecting.

Subsequent to the historic drilling, the Company has had significant discovery success at Stardust, has drilling approximately 32,220 metres of diamond drill core in 63 holes from 2018 to 2020. Most of this drilling was focused on the discovery and delineation of the 421 zone, which was discovered in 2018 by one of that year's strongest copper-gold drill holes in North America, DDH18-SD-421, which returned 100 metres of 5.05% CuEq[4]. In 2019 and 2020, the Company built on that success and materially expanded the known mineralized zones, building continuity of mineralization from surface down to 900 metres depth.

In addition to this, the Company conducted surficial geochemical surveys consisting of 9,812 soils samples and 122 rock samples. An airborne geophysical survey consisting of 1,128 line km with a versatile time domain electromagnetic (VTEM™plus) system and a horizontal magnetic gradiometer. Ground geophysical surveys consisting of 71.85 line km of large loop electromagnetics (EM), 28.1 line km of Induced Polarization, 28.09 km of ground magnetics, 3 km of magnetotellurics and 19 drill holes were surveyed with a down hole EM system. A Light Detection and Ranging survey (LiDAR) coupled with an aerial photo acquisition covering 88.3 km$^2$ was also conducted over the project area.

**Mineral Resource**

On May 17, 2021, the Company announced a new updated mineral resource estimate for Stardust[5] which incorporates the 421 zone and the Canyon Creek zone, and consists of Indicated mineral resources totaling 1,962,900 tonnes at 2.59% CuEq[6], 1.31% Cu, 1.44 g/t Au and 27.1 g/t Ag and Inferred mineral resources totaling 5,843,200 tonnes at 1.88% CuEq, 0.86% Cu, 1.17 g/t Au and 20.0 g/t Ag all at a cut-off of US $65/tonne and 2.5 metre minimum mining width.

Table 1 – Summary of Indicated and Inferred Resources

| Resource Classification | Tonnes > COG | Grades | | | |
|---|---|---|---|---|---|
| | | %Cu | g/t Au | g/t Ag | CuEq |
| Indicated | 1,962,900 | 1.31 | 1.44 | 27.1 | 2.59 |

[4] See press release dated November 14, 2018 available under Sun Metals' profile on SEDAR at www.sedar.com

[5] See the technical report entitled "Stardust Project Updated Mineral Resource Estimate NI 43-101 Technical Report", with an effective date of May 17, 2021, filed under the Company's SEDAR profile at www.sedar.com

[6] The following equation was used to calculate copper equivalence: CuEq = Copper (%) + (Gold (g/t) x 0.718) + (Silver (g/t) x 0.009).

| | | | | | |
|---|---|---|---|---|---|
| Inferred | 5,843,200 | 0.86 | 1.17 | 20.0 | 1.88 |

Table 2- Resource Sensitivity to changes in cut-off grade

| Indicated | | Grades | | | |
|---|---|---|---|---|---|
| **COG $/t** | **Tonnes > COG** | **%Cu** | **g/t Au** | **g/t Ag** | **CuEq** |
| 65 | 1,962,888 | 1.31 | 1.44 | 27.1 | 2.59 |
| 85 | 1,603,223 | 1.48 | 1.62 | 30.2 | 2.93 |
| 105 | 1,309,183 | 1.65 | 1.82 | 33.2 | 3.25 |
| 125 | 1,061,374 | 1.83 | 2.02 | 36.2 | 3.60 |

| Inferred | | Grades | | | |
|---|---|---|---|---|---|
| **COG $/t** | **Tonnes > COG** | **%Cu** | **g/t Au** | **g/t Ag** | **CuEq** |
| 65 | 5,843,160 | 0.86 | 1.17 | 20.0 | 1.88 |
| 85 | 4,317,343 | 0.97 | 1.35 | 22.6 | 2.15 |
| 105 | 3,091,762 | 1.10 | 1.54 | 24.9 | 2.43 |
| 125 | 2,158,409 | 1.24 | 1.73 | 27.6 | 2.73 |

Notes:

- Mineral resources are not mineral reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the mineral resources estimated will be converted into mineral reserves. The estimate of mineral resources may be materially affected by geology, environment, permitting, legal, title, taxation, sociopolitical, marketing or other relevant issues. Inferred mineral resources have a great amount of uncertainty as to their existence and as to whether they can be mined economically. It cannot be assumed that all or part of the Inferred mineral resources will ever be upgraded to a higher category.

The updated Stardust mineral resource estimate was prepared by Ronald G. Simpson, P.Geo, of GeoSim Services Inc. with an effective date of May 17, 2021, and replaces the previous Stardust mineral resource estimate[7]. Mr. Simpson is an independent Qualified Person in accordance with the requirements of NI 43-101.

The data cut-off used for the resource estimate is March 31, 2021. The base case cut-off of US$65/t was determined based on metal prices of US $3.25/lb copper, US $1,600/oz gold and US $20/oz silver, underground mining cost of US $45/t, processing cost of US $15/t and G&A cost of US $5/t. Recoveries used in calculation of the base case cut-off were based on recent metallurgical test results and were assumed to be 94% for gold and copper and 86% for silver.

## East Niv Project

The Company acquired East Niv by staking in 2018 and conducted a limited filed program which returned some encouraging results. East Niv lies within Mesozoic volcanic rocks of the Stikine Terrane along the unconformity between the Upper Triassic Takla and Early Jurassic Hazelton Groups and is located approximately 40 km SW of the Kemess Minesite.

In July 2021, the Company announced it had staked 16 additional claims, expanding the property size to 43,297 Hectares.

**Exploration**

As discussed above, an initial program of 10 holes for a total of 2,915 metres was completed during the period. In addition to diamond drilling, the Company continued to explore the broader East Niv region and carrying out field work to identify additional new targets for follow-up. The Company conducted an IP survey on the East Niv property in July 2021, expanding the surveying completed in 2020. In August, regional exploration work including rock and soil sampling, geological mapping, and regional Porphyry Indicator Mineral ("PIM") sampling was completed.

[7] Please see NI 43-101 technical report titled "Stardust Project NI 43-101 Technical Report" with an effective date of January 8, 2018 available under Sun Metals Corp.'s SEDAR profile at www.sedar.com for the previous mineral resource on the Stardust deposit.

Additionally, a detailed low level airborne magnetic survey was completed in the two lakes creek area of the property.

On October 7, 2020, NorthWest reported the balance of the results from the 2020 field program at East Niv. The mapping, sampling and a 17.5 line km IP geophysical survey completed during the quarter have outlined a previously unknown, 3.5 sq km multiparameter porphyry copper-gold target at East Niv encompassing a number of porphyry-style copper-gold occurrences, demonstrating regional scale potential and the property was expanded to over 20,750 hectares.

On July 27, 2020 the Company reported on preliminary results from the mapping and sampling program conducted at East Niv to that point during the 2020 field season. Several areas of interest were identified along a 3.5 km long by up to 1.3 km wide northwest-southeast prospective trend from treeline to valley floor consisting of discrete magnetic high features, several mineralized occurrences and correlated anomalous copper soil geochemistry from prior analytical results and preliminary 2020 field XRF results. The main showing, first identified in 2019 and grading up to 0.82% copper, 1.14 g/t gold in composite grab samples was extended significantly in strike extent, and a second mineralized monzodiorite outcrop, measuring 200 by up to 50 metres in width was discovered 650 metres to the east.

On August 14, 2019 the Company reported results of field work completed on the East Niv property located 40 km SW of the Kemess Mine. The work identified a newly recognized cluster of partially outcropping copper-gold porphyry and related high-grade Cu-Au vein occurrences located in a dilatant jog within a major regional structure that the Company believes has the potential to host multiple mineralized porphyry centers. The property was expanded to 6,405 hectares.

## Lorraine Project

Pursuant to the Transaction with Sun Metals, the Company acquired the Lorraine copper-gold project, located in northcentral B.C., 40 km north of the Stardust project and 270 km northwest of the city of Prince George, B.C. The Lorraine project comprises two contiguous properties, the Lorraine-Jajay and the Jan-Tam-Misty properties. The Company owns 100% of the Lorraine-Jajay property, and 90% of the adjacent Tam-Misty property, and Commander Resources holds a 10% carried interest. The combined properties consist of 140 mineral claims and cover an area of approximately 39,046 hectares. The Lorraine project is well served by resource infrastructure, including all-season roads, the Kemess power corridor to the northeast and the Canadian National Railway line to the southwest.

The Tam-Misty property is subject to a 3% NSR royalty, which can be reduced to 1% NSR royalty, and is subject to a capped advanced royalty payment of $500,000, of which $450,000 has been paid as of September 30, 2021. The remaining $50,000 is due by December 31, 2021.

Sun Metals entered into an agreement with Teck Resources Limited (“Teck”) in November 2020 pursuant to which they acquired Teck’s 51% joint venture interest in the Lorraine Project. Pursuant to the terms of the Teck agreement, NorthWest will make the following future payments to Teck in either cash or common shares of the Company:

- $500,000 payable on the first anniversary of the closing date; and
- $500,000 payable on the second anniversary of the closing date.

The Company will also make the following contingent milestone payments to Teck in either cash or common shares of the Company:

- $500,000 upon a Preliminary Economic Assessment;
- $2,000,000 upon a Feasibility Study; and
- $5,000,000 upon a construction decision.

Pursuant to the terms of the acquisition, Teck has also retained a 1.0% NSR royalty on all claims that are not already burdened by a royalty and a 0.25% NSR royalty on all claims that are subject to the existing Tam-Misty royalties. Additionally, if NorthWest sells or options all or a portion of the property to a third party at any time during a 60-

month period commencing from the date of the agreement, NorthWest will pay to Teck 20% of the sale proceeds, net of exploration expenses incurred on the property by NorthWest following closing.

**Exploration**

During the seven months ended September 30 2021, the Company undertook a compilation and review of the historic data on the Lorraine project, in order to understand previous targeting and develop new targets on the property. An initial field assessment was conducted July 2021, and Company geologists commenced a mapping and sampling program at Top Cat and the Lorraine project in August 2021. Seventeen line kilometer of IP geophysical surveying was completed in the main Lorraine deposit area with an additional four kilometers of surveying in the Tam prospect area. In addition, a low level detailed airborne magnetics survey was completed over the main Lorraine – Bishop – All Alone Dome deposit trend, as well as the Rhonda – Dorothy prospects area.

In October 2019, Teck completed an airborne survey at the Lorraine Project.

**Mineral Resource**

The Upper Main, Lower Main and Bishop zones at Lorraine were the subject of a 2012, NI 43-101 resource estimate published by Lorraine Copper Corp. titled "Summary Report on the Lorraine-Jajay Property Omineca Mining Division, B.C."[8] with an effective date of December 16, 2015. In that report, Gary Giroux, P.Eng. a qualified person as defined under NI 43-101 provided the following estimate:

| Resource Category[9] | Tonnes | Copper (%) | Gold (g/t) |
|---|---|---|---|
| Indicated | 6,419,000 | 0.61 | 0.23 |
| Inferred | 28,823,000 | 0.45 | 0.19 |

A qualified person as defined under NI 43-101 has not completed sufficient work to classify the above historical estimate as a current mineral resource. NorthWest is not treating the historical estimate as a current mineral resource. Mineral resources are not mineral reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the mineral resources estimated will be converted into mineral reserves.

## Top Cat Project

On July 15, 2019 the Company optioned a group of claims covering approximately 21,600 hectares in central British Columbia.

The Company may earn a 100% interest by:

- Making staged cash payments totaling $340,000 over 5 years; $18,000 of which was paid on signing. On November 7, 2019, the Company issued 41,666 common shares at a fair value of $18,333 in lieu of cash payment pursuant to the option agreement. On July 13, 2020, the Company paid $22,000 pursuant to the option agreement. On July 20, 2021, the Company paid $25,000 pursuant to the option agreement;
- Issuing a total of 750,000 common shares in stages over a 5-year period. On August 2, 2019, 50,000 common shares were issued upon TSX Venture Exchange approval of the option agreement. On July 13, 2020, the Company issued 50,000 common shares with fair value of $28,000 pursuant to the option agreement. On July 20, 2021 the Company issued 50,000 common shares with a fair value of $35,000 pursuant to the option agreement;

[8] See updated and amended NI 43-101 Technical Report entitled "Summary Report on the Lorraine-Jajay Property Omineca Mining Division, B.C." with an effective date of December 16, 2015, as amended July 22, 2016, which can be found on Lorraine Copper Corp.'s profile on SEDAR at www.sedar.com.

[9] The cut-off grade used in the resource estimate was 0.2% copper (Cu).

- Incurring a total of $1,250,000 in exploration expenditures over a 5-year period with a minimum of $100,000 to be spent before the first anniversary of the agreement, which minimum expenditure requirement has been met; and
- Granting the optionors a 3% net smelter royalty (NSR) on the property, subject to the Company's right to purchase a 2% NSR for $2,000,000 at any time prior to the first anniversary of commercial production.

**Exploration**

NorthWest completed an initial assessment in July 2021, and company geologists commenced a mapping and sampling program at Top Cat and the Lorraine project in August 2021.

Two target areas in particular stand out on the Top Cat property, one of which was the focus of the 2020 work program as follows:

*Nova*

The Nova area is located in the northern portion of the property area and is largely overlain by till with local angular mineralized magnetite-sulphide bearing pyroxenite boulders underlain by an intense magnetic anomaly measuring roughly 500m by 800m.

In 2020 field season a program of geological mapping, soil silt and rock geochemical sampling was focused on Nova area targets and 13.5 km of induced polarization geophysical surveying was completed including three lines at Nova and one to the east.

*Cat Mountain*

NorthWest completed a detailed historical data compilation which resulted in the accumulation of 632 rock, and 4,547 soil samples; 69 drill hole logs and related assays from Cat Mountain; and various geophysical surveys dating back to 1974.

Cat Mountain has seen over 10,000 metres of drilling in 69 drill holes completed between 1977 and 2007. Most holes are located within the Bet (western) and Hoffman (eastern) zones which are characterized by quartz-magnetite ± chalcopyrite-Au veins and as copper replacements in volcanic rocks.

Company geologists completed a mapping and sampling program at Top Cat in September 2019, collecting 79 rock and 282 soil and stream sediment samples from six (6) prospective localities on the property. Copper mineralization, in the form of chalcopyrite and/or bornite, was observed at all six localities and gold assays from trace to 6.50 g/t Au were returned from the sampling.

## Other Projects

NorthWest also holds a 100% interest in several other properties and an approximately 56.3% interest in one additional property in joint venture partnership with Fjordland Exploration Inc. The majority of the properties are located in the Quesnel Trough of British Columbia and eastern limb of the Stikine Terrane. The Quesnel Trough is host to the Kemess, Mt. Milligan, Mt. Polley, New Afton, and Copper Mountain porphyry copper-gold deposits.

Details of NorthWest's property portfolio in BC can be found on the Company's website at www.northwestcopper.ca.

### Selected Financial Information

Management is responsible for the Interim Financial Statements referred to in this MD&A, and provided officers' disclosure certifications filed with the Canadian provincial securities commissions. The Audit Committee of the Company's Board of Directors has been delegated the authority to review and approve the condensed consolidated interim financial statements.

The Interim Financial Statements have been prepared in accordance with IAS 34, Interim Financial Reporting, and should be read in conjunction with the Company's audited financial statements for the year ended February 28, 2021, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

Our significant accounting policies are presented in Note 3 of the audited financial statements for the year ended February 28, 2021. The Company's policy is to capitalize exploration and evaluation expenditures. Costs incurred before the Company has obtained the legal rights to explore an area are expensed.

The financial data presented below for the current and comparative periods was derived from the financial statements prepared in accordance with IFRS. NorthWest raises its financing and incurs head office expenses in Canadian dollars and therefore, it has been determined to have a Canadian dollar functional currency.

The Company conducts its business in a single operating segment which is the mineral exploration business in Canada. The Company's exploration and evaluation assets are located in Canada.

## Results of Operations

| **Financial period ended:** | Three months ended September 30, 2021 $ | Three months ended August 31, 2020 $ | Seven months ended September 30, 2021 $ | Six months ended August 31, 2020 $ |
|---|---|---|---|---|
| Total revenues | Nil | Nil | Nil | Nil |
| Net Income (loss) | | | | |
| In Total | 15,045 | (227,747) | (3,609,211) | (451,526) |
| Per share [2] | 0.00 | (0.00) | (0.03) | (0.00) |
| Comprehensive Income (loss) | | | | |
| In Total | 15,045 | (227,747) | (3,609,211) | (451,526) |
| Per share [2] | 0.00 | (0.00) | (0.03) | (0.00) |

Note 2 - Fully diluted per share amounts are not shown as the effect is anti-dilutive.

### Three and Seven months ended September 30, 2021 vs. three and six months ended August 31, 2020

For the three months ended September 30, 2021, the Company realized a net income of $15,045 compared to the net loss of $0.2 million for the three month ended August 31, 2020, a decrease in net loss of $0.2 million. Major variances are as follows:

- An increase in share-based compensation of $1.0 million related to the granting and vesting of stock options and RSUs during the period. The Company granted 4,900,000 stock options and 2,175,000 RSUs during the three and seven months ended September 30, 2021 compared to nil stock options or RSUs granted during the three and six months ended August 31, 2020.

  Stock options and RSUs granted to employees and consultants are subject to vesting restrictions over a three-year period with the corresponding share-based compensation expense being recognized over this period, while stock options and DSUs granted to directors vest immediately on grant with the corresponding expenses recognized at the time of grant.

  Generally, share-based compensation expense should be expected to vary from period to period depending on several factors, including whether options are granted in a period and whether options have fully vested or are cancelled in a period. In determining the fair market value of share-based compensation granted to directors, employees, and consultants management makes significant assumptions and estimates. These estimates have an effect on the share-based compensation expense recognized and the equity reserves balance on our statements of financial position. Management has made estimates of the life of the options, the expected volatility and the expected dividend yields that could materially affect the fair market value of this type of security. The estimates were chosen after reviewing the historical life of the options and analyzing share price history from that of a peer group to determine volatility.

- An increase in salaries and director fees of $0.2 million as a result of the strengthened board and management team following the merger.
- An increase in investor relations fees of $0.2 million as a result of additional investor relations consultant fees and conferences to support shareholder communications and marketing efforts.
- Net loss for the three months ended September 30, 2021 was reduced due to a $1.9 million deferred income tax recovery from the partial reversal of the flow-through liability recognized in relation to the March 31, 2021 financing relating to qualifying resource expenditures incurred during the period.

For the seven months ended September 30, 2021, the Company incurred a net loss of $3.6 million, compared to the net loss of $0.5 million for the six months ended August 31, 2020, an increase in net loss of $3.1 million. Major variances are as follows:

- An increase in share-based compensation of $3.3 million related to the granting and vesting of stock options, RSUs and DSUs during the period. The Company granted 4,900,000 stock options, 2,175,000 RSUs and 1,000,000 DSUs during the seven months ended September 30, 2021 compared to nil stock options, RSUs or DSUs granted during the six months ended August 31, 2020.
- An increase in salaries and director fees of $1.3 million due to a termination payment due to the Company's former CEO as a result of the merger with Sun Metals, as well as increased salaries and director fees as a result of the strengthened board and management team following the merger.
- An increase in investor relations fees of $0.4 million as a result of additional investor relations consultant fees and conferences to support shareholder communications and marketing efforts.
- Net loss for the seven months ended September 30, 2021 was reduced due to a $2.3 million deferred income tax recovery from the partial reversal of the flow-through liability recognized in relation to the March 31, 2021 financing relating to qualifying resource expenditures incurred during the period.

## Summary of Financial Results For Eight Most Recently Completed Quarters

| Fiscal period ended | Revenues[1] | Net income (loss) – total | Income (loss) from continuing operations – per share [1, 2] | Net comprehensive income (loss) – total | Net income (loss) - per share [2] |
|---|---|---|---|---|---|
| | | $ | $ | $ | $ |
| September 30, 2021 | Nil | 15,045 | 0.00 | 15,045 | 0.00 |
| June 30, 2021 | Nil | (3,624,257) | (0.03) | (3,624,257) | (0.03) |
| February 28, 2021 | Nil | (165,310) | (0.01) | (165,310) | (0.01) |
| November 30, 2020 | Nil | (84,688) | (0.00) | (84,688) | (0.00) |
| August 31, 2020 | Nil | (227,747) | (0.00) | (227,747) | (0.00) |
| May 31, 2020 | Nil | (223,779) | (0.00) | (223,779) | (0.00) |
| February 29, 2020 | Nil | (2,564,241) | (0.05) | (2,564,241) | (0.05) |
| November 30, 2019 | Nil | (290,911) | (0.01) | (290,911) | (0.01) |

Note 1: Revenues exclude interest income. Fully diluted per share amounts are not scheduled as they would be anti-dilutive.

Note 2: Income/(loss) per share is rounded to the nearest whole cent.

The Company's net loss for the quarter ended September 30, 2021 decreased by $3.6 million compared to the net loss for the four months ended June 30, 2021, primarily due to a partial reversal of $1.9 million of the flow-through liability recognized in relation to the March 2021 financing relating to qualifying resource expenditures incurred during the period, compared to a partial reversal of $0.4 million during the prior period. Additionally, non-cash share based compensation expense during the period was $1.0 million as a result of stock options and restricted share units ("RSUs") issued in prior periods, compared to $2.4 million in the prior period. Salaries and director fees in the quarter ended September 30, 2021 were $0.8 million lower than in the four months ended June 30, 2021 primarily due to a termination payment made to Mr. Moore, the Company's former President & CEO, in the prior period, as well as the additional month in the prior period.

The Company's net loss for the four months ended June 30, 2021 increased by $3.5 million compared to the net loss for the quarter ended February 28, 2021, primarily due to a non-cash share based compensation expense of $2.4 million as a result of stock options, restricted share units ("RSUs") and deferred share units ("DSUs") issued during the current period, as well as a termination payment due to Mr. Moore, the Company's former President & CEO, and increased salaries and director fees as a result of the strengthened board and management following the merger with Sun Metals. The increase was partially offset by a partial reversal of $0.4 million of the flow-through liability recognized in relation to the March 2021 financing relating to qualifying resource expenditures incurred during the period.

The Company's net loss for the quarter ended February 29, 2020 increased by $2.3 million compared to the net loss for the quarter ended November 30, 2019, primarily due to the impairment loss recorded in the quarter ended February 29, 2020 in regards to the ATG property.

## Financial Condition

| | As at September 30, 2021<br>$ | As at February 28, 2021<br>$ |
|---|---|---|
| Total assets | 97,225,703 | 19,709,950 |
| Current liabilities | 3,124,942 | 1,155,059 |
| Non-current liabilities | 964,491 | 46,964 |

No dividends were declared or paid nor are any contemplated

Total assets at September 30, 2021 are primarily comprised of cash of $10.1 million, amounts receivable of $3.3 million, investment in the Kwanika JVA of $17.9 million, and exploration and evaluation assets of $64.9 million, consisting primarily of the allocated fair value of the consideration transferred to Sun Metals upon closing of the Arrangement.

Total assets increased by $77.5 million as at September 30, 2021 in comparison to February 28, 2021 due primarily to the cash received from the March 31, 2021 financing, as well as option and warrant exercises, as well as the allocated fair value to exploration and evaluation assets of the consideration transferred to Sun Metals upon closing of the Arrangement, and an increase in accounts receivable relating to the expenditures incurred on behalf of KCC. The increase was partially offset by cash operating expenditures of $4.7 million.

Current liabilities, which at September 30, 2021 consists primarily of accounts payable and accrued liabilities of $3.0 million, increased at September 30, 2021 in comparison to $1.2 million at February 28, 2021, primarily due to the increase in accounts payable and accrued liabilities as a result of the 2021 field programs commencing in spring 2021, as well as the $0.5 million liability recognized in regards to the 2021 payment to Teck for the Lorraine project. Non-current liabilities increased by $1.0 million, primarily due to the recognition of flow-through liabilities in regards to the March 31, 2021 financing and the $0.5 million long-term liability recognized in regards to the 2022 payment to Teck for the Lorraine project in connection with the Sun Metals Transaction.

## Cash Flows

Cash used in operating activities was $4.7 million for the seven months ended September 30, 2021. Cash provided by investing activities for the seven months ended September 30, 2021 was $1.8 million, primarily attributable to cash acquired as a result of the Sun Metals acquisition, partially offset by exploration and evaluation expenditures of $5.4 million. Cash inflows from financing activities of $12.5 million was primarily comprised of the net proceeds of the March 31, 2021 financing, as well as proceeds of $0.9 million from the exercise of stock options and warrants during the period, partially offset by the re-payment of the $0.5 million short-term loan outstanding at February 28, 2021.

Flow-through premiums totaling $2.5 million in relation to the March 31, 2021 financing, being the difference between the charity flow-through common shares and the flow-through common shares subscription prices and the market price of the Company's common shares on the date of issue, related to the sale of the associated tax benefits of the qualifying resource expenditures have been recorded as a flow-through premium liability in the consolidated statement of financial position. As at September 30, 2021, the Company is committed to incur, on a best efforts basis, approximately $1.0 million in connection with its March 31, 2021 $10.0 million flow-through offerings (February 28, 2021 - $0.1 million). If the Company does not spend these funds in compliance with the Government of Canada flow-through regulations, it may be subject to litigation from various counterparties. The Company intends to fulfill its flow-through commitments within the given time constraints. The Company decreased its flow-through premium liability and recognized a deferred tax recovery of $2.3 million relating to the proportion of qualifying expenditures that had been incurred to date at September 30, 2021.

## Liquidity and Capital Resources

As at September 30, 2021, the Company has no source of positive operating cash flows, and has not yet achieved profitable operations. At September 30, 2021, the Company had a net loss of $3.6 million for the seven months ended September 30, 2021 and accumulated losses of $38.8 million (February 28, 2021 - $35.2 million) since inception, all of which indicate a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent on its ability to raise equity capital or borrowings sufficient funds to meet its current and future obligations. Although the Company has been successful in the past in raising funds to continue operations, there is no assurance it will be able to do so in the future. At the date of this MD&A, management believes there is adequate working capital to conduct its operations for the balance of the current fiscal year. The Company is in a position to meet its current obligations as they become due.

On March 11, 2020 the COVID-19 outbreak was declared a pandemic by the World Health Organization, which has resulted in governments enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown and increased volatility in national and global equity and commodity markets. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of any interventions. The actual and threatened spread of COVID-19 could adversely impact the Company's ability to raise capital, collect tax credit receivables, and its operations in future periods. While the Company believes that it will be able to raise additional funds and/or reduce expenditures to continue as a going concern there is no assurance that the Company will be successful in obtaining additional funding at an acceptable cost as and when needed or at all. Failure to obtain additional funding on a timely basis may cause the Company to postpone exploration and/or evaluation plans or substantially reduce its operations. These factors indicate the existence of a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern. These financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

**Issued share capital**

**Seven months ended September 30, 2021**

On March 5, 2021, the Company issued 164,095 common shares in the capital of the Company at a fair value of $0.61 per share in settlement of $0.1 million of debt owing to an arm's length creditor.

Upon closing of the Arrangement with Sun Metals on March 5, 2021 the Company issued 55,323,061 common shares with a fair value of $55 million.

On March 31, 2021, the Company closed a private placement offering for aggregate proceeds of $13.0 million, consisting of:

- 3,750,000 common shares at a price of $0.80 per share;
- 5,000,000 flow-through common shares at a price of $1.00 per share; and
- 4,550,000 charity flow-through common shares at a price of $1.10 per share.

In connection with the private placement the Company paid commissions, legal fees and filing fees totaling $0.9 million.

On July 20, 2021, the Company issued 50,000 shares with a fair value of $35,000 pursuant to the option agreement on the Top Cat project.

During the seven months ended September 30, 2021, 1,185,000 stock options were exercised for gross proceeds of $0.3 million and 1,089,101 warrants were exercised for gross proceeds of $0.6 million.

**Year ended February 28, 2021**

On June 24, 2020, the Company issued 136,052 common shares in the capital of the Company at a fair value of $0.38 per share in settlement of $51,700 of debt owing to certain creditors who are at arm's length.

On July 13, 2020, the Company issued 50,000 shares at a fair value of $28,000 pursuant to the option agreement on the Top Cat project.

During the year ended February 28, 2021, 978,500 stock options were exercised for gross proceeds of $0.2 million and 141,345 of warrants were exercised for gross proceeds of $0.1 million.

## Outstanding Share Data

As at November 24, 2021, the following common shares, stock options, share purchase warrants, RSUs and DSUs were outstanding:

| Number of shares | | |
|---|---|---|
| 127,527,596 | | |

| Number of options | Exercise price | Expiry date |
|---|---|---|
| 425,000 | $ 0.30 | January 30, 2022 |
| 58,050 | $ 0.42 | March 5, 2022 |
| 46,440 | $ 0.52 | March 5, 2022 |
| 58,050 | $ 0.61 | March 5, 2022 |
| 25,000 | $ 0.40 | August 9, 2022 |
| 375,000 | $ 0.30 | April 10, 2023 |
| 666,500 | $ 1.17 | May 2, 2023 |
| 661,125 | $ 1.31 | December 24, 2023 |
| 16,125 | $ 2.14 | March 26, 2024 |
| 630,000 | $ 0.46 | April 10, 2024 |
| 16,125 | $ 2.56 | May 27, 2024 |
| 400,000 | $ 0.42 | February 19, 2025 |
| 698,750 | $ 0.84 | June 11, 2025 |
| 95,000 | $ 0.60 | September 4, 2025 |
| 4,675,000 | $ 0.90 | March 8, 2026 |
| 75,000 | $ 0.75 | April 27, 2026 |
| 150,000 | $ 0.77 | June 15, 2026 |
| 9,071,165 | $ 0.81 | |

| Number of warrants | Exercise price | Expiry date |
|---|---|---|
| 154,084 | $ 0.50 | December 17, 2021 |
| 107,500 | $ 1.63 | December 31, 2021 |
| 757,338 | $ 0.56 | May 25, 2022 |
| 647,637 | $ 0.52 | January 16, 2022 |
| 16,680 | $ 0.52 | January 17, 2022 |
| 8,852,625 | $ 0.84 | December 17, 2022 |
| 4,625,381 | $ 1.63 | May 2, 2023 |
| 15,161,245 | $ 1.06 | |

| Number of RSUs | Expiry date |
|---|---|
| 1,975,000 | April 8, 2024 |
| 100,000 | May 27, 2024 |
| 100,000 | July 15, 2024 |
| 2,175,000 | |

| Number of DSUs |
|---|
| 1,000,000 |
| 1,000,000 |

The expiry date for DSUs issued is not applicable as long as the individual continues in their role as director.

## Significant Transactions with Related Parties

### Related party balances

Oxygen Capital Corp ("Oxygen") is a private company owned by two directors of the Company, Mark O'Dea and Sean Tetzlaff, and provides technical and administrative services to the Company under a Technical and Administrative Services Agreement dated September 1, 2021 (the "Oxygen Agreement") at cost, including providing some staffing who are seconded to the Company, office facilities and other administrative functions. As at September 30, 2021, Oxygen holds a refundable security deposit of $112,500 on behalf of the Company (February 28, 2021 - $nil).

During the seven months ended September 30, 2021, a total of $0.3 million was paid or accrued to Oxygen as a reimbursement of costs incurred by Oxygen on behalf of the Company (August 31, 2020 - $nil). As at September 30, 2021, the Company has a payable amount to Oxygen of $39,254 (February 28, 2021 – $nil). This amount was paid subsequent to September 30, 2021.

### Key management personnel compensation – paid or accrued

Key management includes the members of the Board of Directors, the President and Chief Executive Officer, the Chief Financial Officer, the Vice President, Exploration and the Vice President, Sustainability. The aggregate total compensation paid or payable to key management for services directly or via Oxygen is as follows:

| | Three months ended September 30, 2021 | Three months ended August 31, 2020 | Seven months ended September 30, 2021 | Six months ended August 31, 2020 |
|---|---|---|---|---|
| Salaries [1] | $ 265,367 | $ 93,850 | $ 745,669 | $ 157,360 |
| Termination payment - D.Moore [2] | - | - | 431,654 | - |
| Director fees [3] | 59,583 | 19,000 | 199,583 | 38,000 |
| Non-cash share-based payments | 715,186 | 7,840 | 2,797,623 | 26,282 |
| | $ 1,040,136 | $ 120,690 | $ 4,174,529 | $ 221,642 |

(1) Seven months ended September 30, 2021 includes $160,000 of bonuses relating to completion of the Arrangement

(2) Excludes amounts included in termination calculation that were accrued at February 28, 2021.
David Moore's total termination payment was $513,216.

(3) Seven months ended September 30, 2021 includes $65,000 of bonuses relating to completion of the Arrangement

The value of share-based compensation issued in current and prior periods to key management personnel for the three and seven months ended September 30, 2021 totaled $0.7 million and $2.8 million, respectively. Share-based compensation is the fair value of options, RSUs and DSUs granted and vested to key management personnel. These amounts have been included in the table above.

## Contractual Obligations

### Technical and Administrative Services Agreement

The Company's general and administrative costs, including office costs, with respect to its head office premises are paid by Oxygen pursuant to the Oxygen Agreement, and may be terminated by either party giving at least 180 days' prior written notice of such termination. Upon termination, by the Company, of the Oxygen Agreement, the Company shall pay to Oxygen an amount equal to the average general and administrative monthly costs incurred under the Oxygen Agreement for the previous six month period, the Company's share of committed lease costs, any employee termination fees due under the Oxygen Agreement as a result of the termination as such term is defined under the Oxygen Agreement, and the Company's share of any contractual obligations entered into on its behalf by Oxygen.

Minimum lease payments in respect of the above head office lease and the effects of discounting are as follows:

| | Up to 1 year | 1 - 3 years | Total |
|---|---|---|---|
| Minimum lease payments | $ 116,792 | $ 116,792 | $ 233,584 |
| Finance Charge | (13,482) | (4,907) | (18,389) |
| **Total Payments** | **$ 103,310** | **$ 111,885** | **$ 215,195** |

**Flow-Through Obligation**

The Company had incurred the remaining qualifying resource expenditures of $0.1 million pursuant to prior period flow-through offerings by September 30, 2021. As at September 30, 2021, the Company is committed to incur, on a best efforts basis, approximately $1.0 million in connection with its March 31, 2021 flow-through offering. If the Company does not spend these funds in compliance with the Government of Canada flow-through regulations, it may be subject to litigation from various counterparties. The Company intends to fulfill its flow-through commitments within the given time constraints.

## Off-Balance Sheet Arrangements

The Company had no off-balance sheet arrangements as at September 30, 2021 or as at the date hereof.

## Significant accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and expenses. Estimates and judgments are regularly evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

The Company considered the impact of the COVID-19 pandemic on the significant judgments and estimates made in these condensed interim consolidated financial statements and determined that the effects of COVID-19 did not have a material impact on the estimates and judgments applied for the seven months ended September 30, 2021.

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the condensed interim consolidated financial statements are as follows:

i) Going concern

Management has determined that the Company will be able to continue as a going concern for the next twelve months.

ii) Economic recoverability and probability of future benefits of exploration and evaluation costs

Management has determined that exploration, evaluation and related costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geologic and other technical information, history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, the quality and capacity of existing infrastructure facilities, evaluation of permitting and environmental issues and local support for the project.

For the seven months ended September 30, 2021, the Company carefully considered current facts and circumstances, a process which requires significant judgment, and concluded no indicators of impairment exist concluded no indicators of impairment exist which indicate the carrying value may exceed the recoverable amount of the Company’s capitalized exploration and evaluation costs.

i) Joint arrangements

Judgement is required to determine when the Company has joint control over an arrangement, which requires an assessment of the relevant activities and when the decisions in relation to those activities require unanimous consent. Judgment is also required to classify a joint arrangement. Classifying the arrangement requires the Company to assess their rights and obligations arising from the arrangement including whether the arrangement is structured through a separate vehicle, in which case, judgment is also required to assess the rights and obligations arising from the legal form of the separate vehicle, terms of the contractual arrangement, and other relevant facts and circumstances. This assessment often requires significant judgment, and a different conclusion on joint control and whether the arrangement is a joint operation or a joint venture, may materially impact the accounting. Management has assessed the investment in partnership as a joint venture.

## Financial instruments

The Company's financial instruments consists of cash and cash equivalents, receivables, reclamation deposits and trade payables and accrued liabilities and short-term loans. The carrying values of cash and cash equivalents, receivables, reclamation deposits and trade payables and accrued liabilities and short-term loans approximate their fair value because of their relatively short-term nature on the instruments.

There are three levels of the fair value hierarchy as follows:

Level 1: Values based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities.

Level 2: Values based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability.

Level 3: Values based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

All financial instruments other than cash and cash equivalents are measured using level 2 inputs.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is summarized as follows:

**Credit risk**
Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash and cash equivalents held in bank accounts. The majority of cash is deposited in bank accounts at a major bank in Canada. As most of the Company's cash and cash equivalents are held by one bank there is a concentration of credit risk. This risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies. Credit risk is assessed as low.

**Liquidity risk**
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company aims to have sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from its ability to raise equity capital or borrowings sufficient funds and its holdings of cash and cash equivalents. Liquidity risk is assessed as high.

**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 not exposed to significant interest rate risk.

**Capital Management**
The Company's policy is, if permitted by market conditions, to maintain a strong capital base so as to support investor and creditor confidence and support future development of the business. The capital structure of the Company consists of equity, comprising share capital and reserves net of accumulated deficit.

There were no changes in the Company's approach to capital management during the year.

The Company is not subject to any externally imposed capital requirements.

## Legal Matters

NorthWest is not currently and was not at any time during the fiscal period ended September 30, 2021, party to, nor has any of its property interests been the subject of, any material legal proceedings or regulatory actions.

## Management's Responsibility for the Financial Statements

The preparation and presentation of the accompanying Interim Financial Statements, MD&A and all financial information in the Interim Financial Statements are the responsibility of management and have been approved by the Audit Committee of the Company's Board of Directors. The financial statements have been prepared in accordance with IFRS. Financial statements by nature are not precise since they include amounts based upon estimates and judgments. When alternative treatments exist, management has chosen those it deems to be the most appropriate in the circumstances.

## Subsequent Events Not Otherwise Described Herein

Other than disclosed above, the following items of significance occurred after September 30, 2021:

**Share capital transactions**

a) Subsequent to September 30, 2021, 307,500 stock options were exercised for gross proceeds of $0.1 million and 207,250 warrants were exercised for gross proceeds of $0.1 million.

## Business Risks and Uncertainties

Additional information on risks and uncertainties related to NorthWest's business is provided in the Company's Annual Information Form dated August 10, 2021 under the heading "Risk Factors". The Annual Information Form is available under the Company's profile on SEDAR at www.sedar.com.

## Disclosure Controls and Procedures and Internal Controls Over Financial Reporting

Disclosure controls and procedures ("DC&P") are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized and reported within the time periods specified by securities regulations and that information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting ("ICFR") are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with IFRS.

Venture Issuer companies are not required to provide representations in the interim filings relating to the establishment and maintenance of DC&P and ICFR, as defined in NI 52-109. In particular, the CEO and CFO certifying officers do not make any representations relating to the establishment and maintenance of (a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation, and (b) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in their certificates regarding the absence of misrepresentations and fair disclosure of financial information. Investors should be aware that inherent limitations on the ability of certifying officers of a Venture Issuer (as defined in NI 52-109) to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of annual filings and other reports provided under securities legislation.

## Controls and Procedures

In connection with National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109") the CEO and CFO of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the Interim Financial Statements and respective accompanying MD&A as at September 30, 2021 (together the "Interim Filings").

In contrast to the certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information, the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Interim Filings on SEDAR at www.sedar.com.

## Scientific and Technical Disclosure

The Company's material properties for the purposes of applicable Canadian securities laws are the Stardust and Kwanika Projects. Unless otherwise indicated, NorthWest has prepared the technical information in this MD&A ("Technical Information") based on information contained in the following technical reports:

"NI 43-101 Technical Report for the Kwanika Project Resource Estimate Update 2019," dated April 17, 2019, filed under the Company's SEDAR profile at www.sedar.com (the "Kwanika Technical Report").

"Stardust Project Updated Mineral Resource Estimate NI 43-101 Technical Report", dated May 17, 2021, filed under the Company's SEDAR profile at www.sedar.com (the "Stardust Technical Report").

Technical Information was also based on information contained in news releases (available under NorthWest and Sun Metals' company profiles on SEDAR at www.sedar.com). These news releases are each intended to be read as a whole, and sections should not be read or relied upon out of context. The Technical Information is subject to the assumptions and qualifications contained in these news releases.

Our news releases were in part prepared by or under the supervision of an independent QP. Readers are encouraged to review the full text of the news releases which qualifies the Technical Information. Readers are advised that mineral resources that are not mineral reserves do not have demonstrated economic viability. Mineral resource estimates relating to Stardust and Kwanika are only estimates and no assurance can be given that any particular level of recovery of minerals will be realized or that an identified mineral resource will ever qualify as a commercially mineable or viable deposit which can be legally and economically exploited.

Although there has been no economic analysis summarized in this MD&A, readers are cautioned that the Kwanika Technical Report and Stardust Technical Report are preliminary in nature and includes Inferred and Indicated mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that this will indeed occur. Further studies, including engineering and economics, are required (typically as a Feasibility Study) with regards to infrastructure and operational methodologies. Ian Neill, P.Geo, NorthWest's VP of Exploration, is the Company's QP for the purposes of NI 43-101, and has reviewed and approved that the scientific or technical information contained in this MD&A related to the Kwanika Technical Report and the Stardust Technical Report, is consistent with that provided by the QPs responsible for preparing the Kwanika Technical Report and Stardust Technical Report, and has reviewed, verified and approved the technical data disclosed in this document relating to those projects in which the Company holds an interest. Mr. Neill has consented to the inclusion of the Technical Information in the form and context in which it appears in this MD&A.

## Cautionary Notes Regarding Forward-Looking Statements

This MD&A, contains "forward-looking information" and "forward-looking statements" within the meaning of applicable securities laws, which include, but are not limited to, statements or information concerning; the completion and timing of technical reports; the timing and availability of refunds related to various tax credits; future financial or operating performance of NorthWest and its business, operations, properties and the future price of copper, zinc, gold, silver and other metal prices; the potential quantity and/or grade of minerals; the potential size of a mineralized zone or potential expansion of mineralization; proposed exploration and development of NorthWest's exploration property interests including potential size of budget and type of exploration being conducted; the timing and amount of estimated future production, costs of production and mine life of the various mineral projects of NorthWest; the interpretation and actual results of historical production and drill results at certain of our exploration properties, and the reliance on technical information provided by third parties; the timing and amount of estimated capital, operating and exploration expenditures, costs and timing of the development of new deposits and of future exploration, acquisition and development activities, estimated exploration budgets and timing of expenditures and community relations activities, requirements for additional capital; government regulation of exploration and mining operations; environmental risks and reclamation expenses, other claims or existing, pending or threatened litigation or other proceedings; title disputes; the ability to maintain exploration licences for its properties in accordance with the requirements of applicable mining laws in Canada; limitations of insurance coverage, future issuances of common shares to satisfy obligations under any option and earn-in agreements or the acquisition of exploration properties and the timing and possible outcome of regulatory and permitting matters; the potential impact of the COVID-19 pandemic on the Company and its operations; and any other statement that may predict, forecast, indicate or imply future plans, intentions, levels of activity, results, performance or achievements, and involve known and unknown risks, uncertainties and other factors which may cause the actual plans, intentions, activities, results, performance or achievements of NorthWest to be materially different from any future plans, intentions, activities, results, performance or achievements expressed or implied by such forward-looking statements and information. Except for statements of historical fact, information contained herein or incorporated by reference herein constitutes forward-looking statements and forward-looking information. Often, but not always, forward-looking statements and forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", "will", "projects", or "believes" or variations (including negative variations) of such words and phrases, or statements that certain actions, events, results or conditions "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking statements and forward-looking information are not guarantees of future performance and are based upon a number of estimates and assumptions of management at the date the statements are made including among other things, assumptions about future prices of copper, zinc, gold, silver, and other metal prices, changes in the worldwide price of other commodities such as coal, fuel and electricity fluctuations in resource prices, currency exchange rates and interest rates, favourable operating conditions, political stability, obtaining governmental approvals and financing on time, obtaining renewals for existing licences and permits and obtaining required licences and permits, labour stability, stability in market conditions, stability of relationship with joint venture partners, availability of equipment, accuracy of any mineral resources and mineral reserves, anticipated costs and expenditures, , assumptions about the effect of the COVID-19 pandemic and our ability to achieve our goals. While we consider these assumptions to be reasonable, the assumptions are inherently subject to significant business, social, economic, political, regulatory, competitive and other risks and uncertainties, contingencies and other factors that could cause actual performance, achievements, actions, events, results or conditions to be materially different from those projected in the forward-looking statements and forward-looking information. Many assumptions are based on factors and events that are not within the control of NorthWest and there is no assurance they will prove to be correct.

Furthermore, such forward-looking statements and forward-looking information 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 such forward-looking statements or forward-looking information. Such factors include, among others; risks with respect to meeting applicable tax credit criteria; risks related to joint venture partners; continued availability of applicable tax credit programs; general business, economic, competitive, political, regulatory and social uncertainties; disruptions or changes in the credit or securities markets and market fluctuations in prices for the Company's' securities; judgement of management when exercising discretion in their use of proceeds from a financing; potential dilution of common share voting power or earnings per common share as a result of the exercise of incentive stock options, future financings or future acquisitions financed by the issuance of equity; discrepancies between actual and estimated mineral reserves and resources; the Company is an exploration and development stage company with no history of pre-tax profit and no income from its operations and there can be no assurance that the Company's operations will be profitable in the future; changes in project parameters as plans continue to be refined; changes in labour costs or other costs of production; possible variations of mineral grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry, including but not limited to environmental risks and hazards, cave-ins, pitwall failures, flooding, rock bursts and other acts of God or natural disasters or unfavourable operating conditions and losses; political instability, hostilities, insurrection or acts of war or terrorism; the speculative nature of mineral exploration and development, including the risk of diminishing quantities or grades of mineralization; the Company's ability to renew existing licences and permits or obtain required licences and permits; changes in government legislation and regulation; fluctuations in commodity prices; requirements for future funding to satisfy contractual obligations and additional capital needs generally; changes or disruptions in market conditions; market price volatility; increased infrastructure and/or operating costs; reclamation costs; the Company has limited operating history and no history of earnings; reliance on a finite number of properties; limits of insurance coverage and uninsurable risk; contests over title to properties; environmental risks and hazards; limitations on the use of community water sources; the need to obtain and maintain licences and permits and comply with laws and regulations or other regulatory requirements; competitive conditions in mineral exploration and mining business; the ability of the Company to retain its key management employees and shortages of skilled personnel and contractors; potential acquisitions and their integration with the Company's current business; influence of third party stakeholders; risks of litigation; the Company's system of internal controls; conflicts of interest; credit and/or liquidity risks; changes to the Company's dividend policy; and the risks involved in the exploration, development and mining business generally. Although we have attempted to identify important factors that could cause actual performance, achievements, actions, events, results or conditions to differ materially from those described in forward looking statements or forward-looking information, there may be other factors that cause performance, achievements, actions, events, results or conditions to differ from those anticipated, estimated or intended.

Forward-looking statements and forward-looking information contained herein are made as of the date of this MD&A and we disclaim any obligation to update or revise any forward-looking statements or forward looking information, whether as a result of new information, future events or results or otherwise, except as required by applicable law. There can be no assurance that forward-looking statements or forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements or forward-looking information. All forward-looking statements and forward-looking information attributable to us is expressly qualified by these cautionary statements.

## Additional Information

Additional information relating to NorthWest is available on SEDAR at www.sedar.com. Additional information relating to NorthWest can also be obtained on the Company's website at www.northwestcopper.ca.