



MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE THREE MONTHS ENDED MARCH 31, 2021

May 18, 2021

The following interim management's discussion and analysis ("MD&A") of Stratabound Minerals Corp. ("Stratabound" or the "Company") for the three months ended March 31, 2021 has been prepared to provide material updates to the business operations, liquidity and capital resources of the Company, and unless otherwise noted, should be read in conjunction with the Company's audited financial statements and annual MD&A for the fiscal years ended December 31, 2020 and 2019, and the notes thereto and the unaudited condensed interim financial statements for the three months ended March 31, 2021 and the notes thereto, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts included in this MD&A are in Canadian dollars ("C\$"), unless otherwise specified. This report is dated as at May 18, 2021.

Description of Business

Incorporated in March 1986, Stratabound is in the business of mineral exploration and evaluation, currently with a gold prospect in the Yukon Territory, and gold and base metal properties in New Brunswick. Stratabound's 2020 activities were focused once again on continuing exploration programs on its flagship Golden Culvert Property in the southeastern Yukon Territory since acquiring it in 2017 and on its new McIntyre Brook gold property option in northern New Brunswick as well as developing its third priority 100%-owned Captain copper-cobalt-gold project in Central New Brunswick.

Overview

Recent Developments

In April 2021, the Company entered into a definitive agreement to acquire 100% of the issued and outstanding shares of California Gold Mining Inc., by way of a court-approved plan of arrangement. Under the agreement, the Company will issue one (1) common share for each common share of California Gold Mining Inc. The Company anticipates that it will issue 65,108,269 shares to California Gold Mining Inc. shareholders as a result of the arrangement. This acquisition includes the advanced Fremont Gold Project, located in the California Mother Lode, hosting an NI 43-101 mineral resource of 515,000 ounces and 364,000 ounces of gold in the indicated and inferred categories, respectively.

In March 2021, the estate of a former director exercised 300,000 options on a cash-less basis for total proceeds of \$30,000. The net shares issued by the Company as a result of this exercise was 178,844.

In March 2021, the Company upgraded its United States over-the-counter listing from OTC:PK to the OTCQB exchange under the symbol "SBMIF".

In January 2021, the Company signed an option agreement whereby the Company can earn a 100% interest in the Win property, which is adjacent to the Company's existing Golden Culvert property in Yukon. The Company made a payment of \$13,400 and issued 117,300 common shares upon execution of the agreement. The Company must incur \$35,000 of exploration expenditures by January 2022 and must make payments totalling \$134,000 in aggregate over the next five years to maintain the option.

In January 2021, 77,777 warrants were exercised for total proceeds of \$7,000, and the Company issued 77,777 common shares.

As of March 31, 2021 the Company's outstanding shares total 89,468,136.

Golden Culvert Property

The Golden Culvert Property is located in the Little Hyland Valley District of the Southeastern Yukon Territory, approximately 205 kilometres north of the town of Watson Lake. The property lies parallel to and about 25 km northeast of the 3 Aces Project of Seabridge Gold Inc. Significant gold mineralization up to 95.0 gpt Au over 1.5 metres in multiple parallel quartz vein and breccia structures is reported by Stratabound in recent press releases and in filed assessment reports. Gold occurrences in the upper Hyland River valley form a 50-km-long belt that is considered to be the easternmost portion of the Tombstone Gold Belt (Hart and Lewis, 2008). The entire 800-kilometre-long Tombstone Belt of gold deposits and occurrences lies within the greater Tintina Gold Belt that includes Fort Knox, Pogo, Brewery Creek and Dublin Gulch.

Golden Culvert covers 83.8 square kilometres across a 24-kilometre strike. The property is a relatively new discovery, first staked in 2005. The Project features a northerly trending, 3-kilometre-long by 250-metre-wide anomaly of +30 ppb Au up to 791 ppb Au gold-in-soils that remains open at both ends. The soils anomaly is centred around partially exposed, near vertically dipping sub-parallel quartz shear veins and breccia, with adjacent wallrock alteration, containing gold and sulphide mineralization. Work conducted by Stratabound since 2018 including 25 diamond drill holes and 24 trenches confirms that a 130-metre-wide corridor of at least six parallel gold-bearing structures occur within the soils anomaly, extends for at least one kilometre of strike and to at least 225 metres in depth where it has been delineated to date. The structures remain open along strike and depth. A new gold-bearing structure discovered in 2019 occurs 7.1 kilometres along strike to the north with no exploration conducted in between.

During the period ended March 31, 2021, the Company acquired the Win property, which is 11-kilometres strike distance southeast of the original Golden Culvert property. The Win option comprises 78 quartz mining claims covering an area of 15.7 km² adjacent to and along strike of its Golden Culvert and Little Hyland projects. The Win Option lies strategically along the main Golden Culvert Gold Trend where it projects approximately 11 km directly southeast of the Main Discovery area. The Win Option has been subjected to minimal historic exploration which has neither been gold-focused nor occurring within the projected gold trend. Even so, one historic off-trend grab sample yielding 0.52 g/t gold, 100 g/t silver and 0.63% lead has been confirmed by the Company's 2020 due diligence site investigation which yielded two outcrop samples assaying 0.64 g/t gold, 155 g/t silver, 1.25% lead and, 0.46 g/t gold, 28.8 g/t silver, respectively.

Including the option-related expenditures and the exploration program costs, the carrying value of the Golden Culvert properties is \$4,862,866 at March 31, 2021. (See “Commitments” below for details on the property option and purchase agreements)

Exploration Programs at the Golden Culvert

Building on the successful 2019 exploration program and leveraging the significant funding that was received during the 2020 year, the Company concluded a two-phase exploration program in 2020.

The first phase program outlined a 1-kilometre-long by 100-metre-wide boulder field grading 13.27 g/t gold averaged from a total 93 samples in the Main Discovery area. The boulder field is composed of multiple parallel gold-bearing quartz “float-trains” linking mineralized outcrop and trenches grading up to 95 g/t gold over 1.5m within 24.41 g/t gold over 6 metres and overlies past diamond drill intercepts up to 60.1 g/t gold over 0.9m within 2.53 g/t Au over 33.1m.

The second phase diamond drill program comprised seventeen diamond drill holes for a total of 3,217 metres across one kilometre of strike length. The diamond drill program concentrates directly under the gold-mineralized float-trains identified in the first phase described above. All drill holes intercepted multiple, parallel gold-bearing quartz vein and breccia structures constituted of higher-grade cores within lower-grade wall-rock halos as observed in past work. A total of 25 diamond drill holes comprised of 4,587 metres and 24 trenches completed to date have intersected and outlined a one-kilometre long by 130-metre-wide mineralized corridor containing multiple parallel gold-bearing structures.

Final assay results from the 2020 drilling were received and reported during the first quarter of 2021. The best results of 10.51 g/t gold over 6.8 metres down-hole included the high-grade intercept of 86.6 g/t gold over 0.6 metre down-hole in hole GC20-16. The program also intersected the deepest intercept to date of 4.83 g/t gold over 1.5 metres down-hole at 225 metres below surface in hole GC20-02. The results thus far continue to support the Company’s continued investment in the project.

Bathurst, New Brunswick Base Metal Properties

Stratabound owns a 100% interest in the CNE/Captain (“CNE Group” or “Captain Group” or “CNE/Captain Group”) and Taylor Brook (“Taylor Brook”) claim groups, totaling 158 claims, and a 100% interest in the CNE Mining Lease, within the Bathurst Mining Camp in northeast New Brunswick, Canada, one of the world’s greatest zinc-lead-silver districts. All these claims are subject to a 1% net smelter return (“NSR”) royalty on production, other than the portion of the CNE/Captain Group formerly known as Captain East, which is royalty-free.

These 100%-owned properties are all situated in the heart of the Bathurst camp, with three world-class base metal mines occurring within a 20-kilometre radius, namely Brunswick No. 12, Brunswick No. 6, and Heath Steele. The wholly-owned claims host three known base metal sulphide bodies: the Captain, CNE and Taylor Brook deposits, on properties with potential that has not been fully explored.

1. Captain Copper-Cobalt-Gold Deposit

The Captain Deposit hosts an NI 43-101 Measured and Indicated Resource totaling 448,000 tonnes averaging 1.75% Cu, 0.046% Co, and 0.30 g/t Au for a 2.2% CuEq%⁽¹⁾, plus an inferred resource of 162,000 tonnes averaging 1.47% Cu, 0.04% Co and 0.24 g/t Au for a 1.87% CuEq%⁽¹⁾, (“Technical Report on an Updated Mineral Resource Estimate, Stratabound Minerals Corp. Captain Cu-Co Deposit”; Mercator Geological Services Limited, Dec. 8, 2010). The Deposit is located along the “Brunswick Horizon”, within a 20km radius and the same stratigraphic contact that hosts the world-class Glencore Brunswick No.12 and No.6 mines with past production totaling an aggregate 149.4 million tons of 8.72% zinc, 3.3% lead, 0.35% copper and 99 g/t silver. The Captain Deposit is a volcanic massive sulphide, or VMS-type deposit, similar to the above-described deposits. (source: Government of New Brunswick DNR Mineral Occurrence Database)

In light of the much-improved positive outlook for base metals including battery-metals such as copper and cobalt in particular, the Company completed a drilling program at the Captain Deposit consisting of 15 tightly spaced and shallow diamond drill holes, during the fourth quarter of 2020 for the purpose of defining the near-surface potential for a small-scale direct-shipping mining project. Twelve of the 15 holes intercepted high-grade copper-cobalt-gold-silver mineralization within 6-9m of surface at the bedrock interface, across an average 9.6m true width and along approximately 120m of strike length.

The deposit also contains minor but potentially recoverable amounts of cobalt, gold and silver. Management is continuing to explore the possibility of a small-scale, high-grade, direct-shipping mining project to generate near-term cash flows. The Captain Deposit is strategically located 100 km by road to the deep-water port of Belledune near Bathurst, NB, and 40 km to the nearest railroad.

2. CNE Deposit

No activity occurred during the period.

3. Taylor Brook Deposit

During February 2017 and as amended in May 2019 and July 2020, the Company and Jaeger Resources Corp. (“Jaeger”) entered into an option agreement whereby Jaeger can earn an 80% interest in the Taylor Brook property in the Bathurst Camp in New Brunswick through exploration expenditures, the assumption of the Company’s work and payment obligations relative to the Taylor Brook claims and the issuance to the Company of shares of Jaeger. Please see the discussion on Page 13.

Footnote:

⁽¹⁾ CuEq% based on $CuEq\% = ((Cu\ lb/t * US\$3.75/lb) + (Co\ lbs/t * US\$20/lb) + (Au\ g/t * 0.03215 * US\$1,750/oz) + (g/t\ Ag * 0.03215 * US\$25/lb)) / US\$3.75/lb$ Cu in situ value and does not account for metallurgical, refining or other losses.

In July 2020, the Company and Jaeger agreed to amend the Taylor Brook Option Agreement to provide Jaeger Resources Corp. an additional year to fulfill its work commitments on the property. Jaeger Resources Corp. now has until 2025 to meet its spending requirement of \$500,000. Jaeger has recently completed a geophysical exploration program on the Taylor Brook Property, (Jaeger September 17, 2020 press release).

The carrying value of the Bathurst properties is \$588,826 at March 31, 2021.

McIntyre Brook, New Brunswick

On December 5, 2019, the Company signed a Definitive Agreement to option and acquire 100% of the mineral rights to the McIntyre Gold Project located adjacent to Highway 180 about 80 kilometres west of Bathurst, New Brunswick. The Project consists of two known gold occurrences that occur 1.5 kilometres along strike of each other, the McIntyre Brook and the Big Pit. The McIntyre Brook occurrence features 40 significant gold values between 0.20 and 41.56 gpt gold out of a total 46 grab samples collected from bedrock exposed in trenches along 300 metres of strike length. The zone remains open at both ends and occurs within a 480-metre wide, 8 to 165 ppb gold-in-soil anomaly that remains open beyond 500 metres of strike length. The Big Pit Cu-Au occurrence comprises a chalcopyrite-hematite vein that contains gold. At the Big Pit occurrence, rock samples yielded up to 14405 ppm (1.44%) Cu and 7.33 gpt gold. In 2006, 20 grab samples were collected from the bottom of the trench with one sample returning 9.53 gpt gold.

In February 2020 the Company reported final drill results from two diamond drill holes completed in late 2019 confirming significant gold mineralization similar to that previously reported to occur in the surface trenches noted above to now also extend to at least 80m below surface.

In February 2020 the Company also announced it had concluded option agreements to acquire an additional 2,450 hectares of favourable prospective ground adjacent to and along strike of its previously optioned 375-hectare McIntyre Brook Gold Project through staking and further property option and purchase agreements. The total acquisition package extended the strike component from 1.2 km to approximately 12 km and includes three recorded gold and base metals showings approximately 10 km along strike to the west of the main McIntyre Brook Gold occurrence. The new acquisitions included the McIntyre-Moose Brook and Gold Brook Option Agreements plus 625 hectares of newly staked land.

Acquisition of Tardiff Brook

During October 2020, Stratabound signed a definitive option agreement which sets out the terms under which Stratabound has the option to earn 100% interest in 7 claims comprising 2,675 hectares (26.75 km²) located north and south of the Company's existing optioned claims which are adjacent to the original McIntyre Brook property. (See "Commitments" below for details on the property option and purchase agreements).

2020 Exploration on McIntyre Brook Property

On November 10, 2020, the Company announced it had concluded an approximate 125 line-kilometre soil sampling program totaling 2,500 soil samples at McIntyre Brook, Moose Brook and Gold Brook, and provided coverage over the entire 2,825 hectares covering the entire 12 kilometres of property strike. Results from the sampling program are being evaluated and will guide the Company's plans on this property moving forward.

Expansion of existing McIntyre Brook Claim

In November 2020, the Company completed an amendment to the initial McIntyre Brook property acquisition to acquire an additional 7 claims adjacent to the original McIntyre Brook. (See "Commitments" below for details on the property option and purchase agreements).

The project is still at a very early stage and much remains to be determined with further work. (See "Commitments" below for details on the property option and purchase agreements). At March 31, 2021, the McIntyre Brook Claim Group comprises the McIntyre Brook, McIntyre-Moose Brook, Gold Brook, and Tardiff Brook properties.

The carrying value of the McIntyre Brook Claim Group at March 31, 2021 is \$505,704.

Share Issuances

The Company had the following share issues during the three months ended March 31, 2021:

Shares issued for mineral properties

During the three months ended March 31, 2021, the Company issued shares in exchange for mineral and exploration rights as follows:

- i) In January 2021, the Company issued 117,300 common shares, valued at their market price of \$28,152, in connection with the acquisition of the Win option, which is a property adjacent to the Golden Culvert project.

Warrants and option exercises

During the three-month period ended March 31, 2021, the Company issued 77,777 common shares related to warrant exercises, for total proceeds received of \$7,000.

In addition, the estate of a former director of the Company exercised 300,000 options at \$0.10 per common share on a net settlement basis. The Company issued 178,844 common shares as a result of this exercise.

Overall Performance

Results of Operations

Stratabound had a comprehensive loss of \$91,927 for the first quarter of 2021, as compared to a comprehensive loss of \$144,317 during 2020. The Company incurred more expenditures in the first quarter of 2021 as compared to 2020 as additional administrative fees were required to maintain its increased operations and additional

licensing fees were required for its new OTCQB listing. The Company also spent \$54,089 (2020 - \$nil) to analyze potential new acquisition opportunities.

Mitigating the increased expenses in the first quarter of 2021 was a flow-through share income inclusion of \$165,200 (2020 - \$12,111), and a fair value increase of \$54,000 (2020 - \$10,000 fair value decrease) relating to the Company's equity position in Jaeger Resources Inc.

Exploration expenditures incurred during the first quarter of 2021 were \$394,682 (2020 - \$83,335). The Company conducted further analyses on the results of its 2020 exploration programs in Golden Culvert, Captain, and McIntyre Brook properties, in addition to acquiring the Win option.

Expenses relating to exploration and evaluation of mineral properties and their acquisition are capitalized as Mineral Exploration and Evaluation Assets on the statements of financial position.

Selected Financial Information

The financial data are presented in accordance with IFRS.

Summary of Quarterly Results

2021-2020	Mar 31 2021	Dec 31 2020	Sep 30 2020	Jun 30 2020
Revenue - interest income	\$ -	\$ -	\$ -	\$ -
Income (loss) before income taxes	(\$91,972)	(\$709,666)	(\$440,158)	(\$226,133)
Comprehensive income (loss)	(\$91,972)	(\$709,666)	(\$440,158)	(\$226,133)
Basic and diluted income (loss) per share	(\$ 0.001)	(\$ 0.008)	(\$ 0.009)	(\$0.010)

2020-2019	Mar 31 2020	Dec 31 2019	Sep 30 2019	Jun 30 2019
Revenue - interest income	\$ -	\$ -	\$ -	\$ -
Income (loss) before income taxes	(\$144,317)	(\$381,217)	(\$125,752)	(\$63,659)
Comprehensive income (loss)	(\$144,317)	(\$381,217)	(\$125,752)	(\$63,659)
Basic and diluted income (loss) per share	(\$ 0.010)	(\$ 0.010)	(\$0.002)	(\$ 0.002)

General and Administrative Expenses

General and administrative expenses were \$190,060 in the first quarter of 2021 compared with \$159,781 in the first quarter of 2020. The increase in expenditures was the result of an increase in administrative consulting expenditures to support the

increase in business operations and additional registration fees for the Company's OTCQB listing.

Liquidity

At March 31, 2021, the Company had positive working capital of \$5,314,146 and at December 31, 2020 the Company had positive working capital of \$5,885,022.

Future exploration of Stratabound's properties is dependent on continued equity financing and/or joint ventures with other companies. Completion of acquisitions will require new financings from equity and debt sources. At March 31, 2021, the Company had no third-party debt other than accounts payable. Further, the Company has no purchase obligations or off-balance sheet arrangements.

Related-Party Transactions

Compensation awarded to key management included non-cash stock-based compensation of \$56,735 (2020 - \$nil) along with consulting fees of \$67,750 (2020 - \$60,000). Key management includes the Company's officers and directors.

During the period, the estate of a former director exercised 300,000 options with an exercise price of \$0.10 per share on a net settlement basis, resulting in 178,844 shares issued to the estate.

Included in accounts payable and accrued liabilities at March 31, 2021 is \$54,736 (December 31, 2020 - \$52,020) owing to officers and directors of the Company for consulting fees and expenses incurred on behalf of the Company.

Commitments

Golden Culvert:

The Company has the option to acquire 100% ownership of the Golden Culvert and Little Hyland properties (collectively, Golden Culvert) comprising 431 mineral claims in the Little Hyland Valley District of the Southeastern Yukon Territory, approximately 205 kilometres north of the town of Watson Lake. A final share issuance to Southshore of 833,333 shares recorded at the market price of \$50,000 was made on December 12, 2019 completing the final obligation to Southshore and now Stratabound only has obligations directly under the Option Agreement with the Optionors. Maintenance and exercise of the option will require the following payments:

- December 12, 2021 - \$395,000
- December 12, 2022 - \$550,000

All payments required to maintain the option have been made to date. The payments can be made in cash or up to 50% in Stratabound common shares, at the Company's election.

Exercise of the options will also require fulfillment of work requirements of \$350,000 at each of the Golden Culvert and Little Hyland properties by September 27, 2022. The

Golden Culvert work commitment was fulfilled during 2018. The claims are subject to NSR royalties aggregating to 2.5% to South Shore and the Optionors.

Upon completion of the December 2022 payments, the Company will be deemed to have earned a 100% interest in all of the property.

During the period, the Company expanded the Golden Culvert claim group by completing a transaction to acquire 100% of the mineral rights to the Win property, which is 11 kilometres from the original Golden Culvert claim. In connection with this acquisition, the Company issued 117,300 common shares valued at their market value of \$28,152 and made a payment to the optionors of \$13,400.

Exercise of the Win option will require \$35,000 of expenditures before the first anniversary of the option agreement. Maintenance and exercise of the option will require the following annual payments:

- 2022 - \$13,400
- 2023 - \$20,100
- 2024 - \$20,100
- 2025 - \$26,800
- 2026 - \$40,200

Upon completion of all payments and expenditures up to the third anniversary payment, the Company will have earned a 50% interest in the property, and upon completion of the fifth anniversary payment, the Company will have earned a 100% interest in the property.

The Win property is subject to a 2% NSR on production; however, the Company may re-purchase 1.5% (1.5% of the 2% NSR) for \$1,500,000 or increments of \$500,000 per 0.50% NSR.

McIntyre Brook:

Exercise of the McIntyre Brook options, which comprise McIntyre Brook, McIntyre-Moose Brook, Gold Brook and Tardiff Brook will require fulfillment of the following work requirements:

- 2021 - \$60,000
- 2022 - \$15,000
- 2023 - \$20,000
- 2024 - \$15,000

Maintenance and exercise of the McIntyre Brook options will require the following future annual payments:

- 2021:
 - i) \$30,000, with the option to pay up to \$30,000 with common shares
 - ii) 200,000 common shares
- 2022:
 - i) \$100,000, with the option to pay up to \$42,500 with common shares
 - ii) 100,000 common shares
- 2023:
 - i) \$145,000, with the option to pay up to \$57,500 with common shares

- ii) 50,000 common shares
- 2024:
 - i) \$160,000, with the option to pay up to \$60,000 with common shares
 - ii) 50,000 common shares

All payments and work commitments required to maintain the option have been made to date. Upon completion of the fourth anniversary payments the Company will have earned 100% ownership in the McIntyre Brook claim group.

This claim group is subject to the following NSR on production:

- McIntyre Brook - This claim is subject to a 2% NSR on production; however, the Company may re-purchase 1% of the NSR for either \$1,000,000 or increments of \$500,000 per 0.50% NSR;
- McIntyre-Moose Brook - This claim is subject to a 2% NSR on production; however, the Company may re-purchase;
- 1% (one-half of the 2% NSR) for \$1,000,000 or increments of \$500,000 per 0.50% NSR;
- Gold Brook - This claim is subject to a 2% NSR on production; however, the Company may re-purchase 1% (one-half of the 2% NSR) for \$1,000,000 or increments of \$500,000 per 0.50% NSR; and
- Tardiff Brook - This claim is subject to a 2% NSR on production; however, the Company may re-purchase the NSR for either \$2,000,000 or increments of \$500,000 per 0.50% NSR.

Share Capital

The authorized capital of the Company consists of an unlimited number of common shares without par value. As at March 31, 2021, the number of common shares issued is 89,468,136 (fully diluted 117,895,238).

Warrants outstanding at March 31, 2021

Number of Warrants	Exercise Price	Expiry Date
325,000	0.100	July 22, 2021
2,000,000	0.090	December 12, 2021
247,000	0.240	April 8, 2022
3,009,975	0.300	August 21, 2022
242,000	0.350	August 21, 2022
590,500	0.350	September 23, 2022
9,801,250	0.300	September 23, 2022
2,470,000	0.350	October 8, 2022
2,211,798	0.450	December 29, 2022
796,246	0.310	December 29, 2022
21,693,769	\$ 0.300	

Options outstanding at March 31, 2021

Number of Options	Exercise Price	Expiry Date
33,333	0.33	April 30, 2021
500,000	0.30	October 13, 2022
1,000,000	0.10	July 16, 2024
500,000	0.10	January 16, 2025
800,000	0.10	May 19, 2025
3,500,000	0.25	September 28, 2025
100,000	0.25	October 22, 2025
300,000	0.22	November 3, 2025
6,733,333	0.20	

Risks and Uncertainties

The business of exploration and mining is full of risks that even a combination of experience, knowledge and careful evaluation may not be able to overcome. The operations to be conducted by the Company will be subject to all of the operating risks normally attendant upon mineral exploration and development. Failure to obtain financing can result in delay or indefinite postponement of exploration and development projects with the possible loss of such properties. While the Company has been successful in the past at raising funds, there can be no assurance that it will continue to do so. Equity financing opportunities require favorable market conditions and commodity prices that cannot be assured.

Whether a mineral deposit once discovered will be commercially viable depends on a number of factors, some of which depend on the particular attributes of the deposit, such as size, grade and proximity to infrastructure. These factors are beyond the control of the Company. The Company must also compete with companies that may have greater technical or financial resources. The Company is unable to predict the amount of time which may elapse between the date when any new mineral resource may be discovered, and the date production may commence from any such discovery.

The exploration and development of mineral properties and the marketability of any minerals contained in such properties can be affected by many other factors beyond the control of the corporation, such as metal prices, availability of adequate refining facilities, or the imposition of new government regulations affecting existing taxes and royalties or environmental and pollution controls.

The directors of the Company are engaged and will continue to be engaged in the search for mining interests on their own behalf and on behalf of other companies, and situations may arise where the directors and officers may be in direct competition with the Company. Conflicts of interest, if any, which arise will be subject to and governed by procedures prescribed by the *Business Corporations Act* (Alberta) which require a director or officer of a corporation who is a party to, or is a director or an officer of or has a material contract with the Corporation to disclose his interest and, in the case of directors, to refrain from voting on any matter in respect of such contract unless otherwise permitted under the *Business Corporations Act* (Alberta).

COVID-19

Due to the worldwide COVID-19 pandemic, material uncertainties may arise that could influence management's going concern assumption. Management cannot accurately predict the future impact COVID-19 may have on:

- Global gold prices;
- Demand for gold and the ability to explore for gold;
- The severity and the length of potential measures taken by governments to manage the spread of the virus, and their effect on labour availability and supply lines;
- Availability of government supplies, such as water and electricity;
- Ability to complete a reverse takeover, joint venture, amalgamation, etc.;
- Purchasing power of the Canadian dollar; and
- Ability to obtain funding.

At the date of this Interim MD&A, the Canadian federal government and the provincial government of Ontario have not introduced measures that have directly impeded the operational activities of the Company.

Critical Accounting Estimates

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

The effect of a change in an accounting estimate is recognized prospectively by including it in total comprehensive income in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

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

Exploration and evaluation expenditures

Estimates

In situations where indicators of impairment are present for the Company's mineral exploration and evaluation assets, estimates of recoverable amounts must be determined as the higher of the Cash Generating Units (CGU's) estimated value in use or the estimated fair value less costs to sell. Value in use is based on the present value of the future cash flows expected to flow from the CGU to the Company, and actual cash flows may vary. Fair value less costs to sell is based on recent sales of comparable assets which may or may not be indicative of the CGU's fair value.

Judgments

Management uses judgment in determining whether there are indicators of impairment for its CGUs. The results of management's assessment could result in an impairment test not being performed when indicators did in fact exist, which could impact the valuation of the CGUs' carrying values. Management uses judgment in determining what constitutes a CGU.

The CGUs identified by the Company are as follows:

1. Golden Culvert Property
2. McIntyre Brook Property
3. Bathurst Group

During the year, the Company had one reportable segment, exploration.

Income taxes

Estimates

Deferred tax assets and liabilities are determined using the tax rates expected to be in effect at the time the assets are realized and liabilities settled. The actual tax rate in effect at that time may vary from the expected tax rates.

Judgments

Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities and contingencies for anticipated tax audit issues based on the Company's current understanding of tax law. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability including the related interest and penalties in the current tax provision. Management believes it has adequately provided for the probable outcome of these matters, but the final outcome may differ materially from the amount included in the tax liabilities.

In addition, the Company recognizes deferred tax assets relating to tax losses carried forward to the extent there are sufficient taxable temporary differences (deferred tax liabilities) relating to the same taxation authority and the same taxable entity against which the unused tax losses can be utilized. However, utilization of the tax losses also depends on the ability of the taxable entity to satisfy certain tests at the time the losses are recovered.

Share-based payment transactions

Estimates

The Company measures the cost of equity-settled transactions with directors, officers, employees and consultants by reference to the fair value of the equity instruments at the date at which they are granted.

Judgments

Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This valuation requires the determination of the most appropriate inputs including the expected life of the share option (based on historical times between vesting date and exercise date) and share price volatility (based on historical share price volatility). In addition, the amount recognized is based on the number of equity instruments expected to ultimately vest, which relies on estimates of forfeiture rates which is based on historical evidence of forfeitures. History may not always be indicative of the future and as a result, the value determined has significant estimation uncertainty. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in the December 31, 2020 audited financial statements. The same estimates are required for transactions with non-employees where the fair value of the goods or services received cannot be reliably determined.

Financial Instruments

The Company's financial instruments include cash, marketable securities, term deposits, accounts payable and accrued liabilities.

Financial assets

Financial assets are initially recorded at fair value and are designated into one of the following three categories: amortized cost, fair value through profit or loss, or fair value through other comprehensive loss.

These assets arise principally from the provision of goods and services to customers, but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows that are solely the payments of principal and interest. These assets are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issues, and are subsequently carried at amortized cost using the effective interest rate method, less provision for impairment.

The Company measures a loss allowance at an amount equal to the lifetime expected credit loss that results from possible default events over the expected life of accounts receivable and unbilled service revenue.

The Company's financial assets measured at amortized cost are cash and term deposits. The marketable securities are measured at fair value through profit or loss.

The Company is not yet in the development stage and has no customers.

Other financial liabilities

Financial liabilities are classified as other financial liabilities and comprise accounts payable and accrued liabilities and short-term loans payable. These liabilities are initially recognized at fair value net of any transaction costs directly attributable to the issuance of the instrument and subsequently carried at amortized cost using the

effective interest rate method. This ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the statement of financial position. Interest expense in this context includes initial transaction costs and premiums payable on redemption, as well as any interest payable while the liability is outstanding.

Accounts payable and accrued liabilities represent obligations for goods and services provided to the Company prior to the end of the period which are unpaid. All amounts are unsecured and are normally paid within 30 days of recognition.

Subsequent Events

In April 2021, the Company entered into a definitive agreement to acquire 100% of the issued and outstanding shares of California Gold Mining Inc., by way of a court-approved plan of arrangement. Under the agreement, the Company will issue 1 common share for each common share of California Gold Mining Inc. The Company anticipates that it will issue 65,108,269 shares to California Gold Mining Inc. shareholders as a result of the arrangement.

In April 2021, 33,333 share options expired unexercised.

The Company's publicly filed documents are available on SEDAR at www.sedar.com

Additional information on the Company's projects including news releases, maps and photos can be viewed on the Company's website www.stratabound.com.

All scientific and technical data disclosed in this report has been reviewed and verified by R. Kim Tyler, P. Geo, a Qualified Person within the meaning of National Instrument 43-101. Kim Tyler, P. Geo is the Qualified Person for the Company.

Certain information regarding the Company contained herein may constitute forward-looking statements. Forward-looking statements may include estimates, plans, expectations, opinions, forecasts, projections, guidance or other statements that are not statements of fact. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to have been correct. These statements are subject to certain risks and uncertainties and may be based on assumptions that could cause actual results to differ materially from those anticipated or implied in the forward-looking statements. The Company does not plan to update or alter any forward-looking statement except where required by law. Specific statements include plans for further drilling, acquiring properties and raising additional equity; and specific risks include operational and geological risks and the ability of the Company to raise necessary funds for exploration. The Company's forward-looking statements are expressly qualified in their entirety by this cautionary statement.