

BELMONT RESOURCES INC.



Financial Statements

&

**Management Discussion & Analysis
for the Year-ended
January 31, 2021**

#615 – 800 West Pender Street, Vancouver, B.C. V6C 2V6

Tel (604) 787-7356

Email: gmusil@belmontresources.com

Website: www.belmont-resources.com

BELMONT RESOURCES INC.

FORM 51-102F1

**Management's Discussion & Analysis
for the Year-Ended January 31, 2021 (and containing information as of May 31, 2021)**

TABLE OF CONTENTS

	Page
Item 1: Annual MD&A – Introduction & Forward-looking Statements	1
Section 1.1 - Date	2
Section 1.2 – Overall Performance and Development.....	2
Section 1.3 – Selected Annual Information.....	6
Section 1.4 – Discussion of Operations.....	7
Section 1.5 - Summary of Quarterly Results.....	8
Section 1.6 - Liquidity	8
Section 1.7 - Capital Resources	9
Section 1.8 - Off-Balance Sheet Arrangements.....	10
Section 1.9 - Transactions between Related Parties	11
Section 1.10 - Proposed Transactions/Commitments	12
Section 1.11 - Critical Accounting Estimates	12
Section 1.12 - Changes in Accounting Policies including Initial Adoption.....	13
Section 1.13 - Financial and Other Instruments	13
Section 1.14 - Other MD&A Requirements	
A. Authorized and Issued Share Capital.....	15
B. Options, Warrants & Convertible Securities Outstanding.....	15
C. Subsequent Events	16
D. Evaluation of Disclosure Controls and Procedures	17
E. Corporate Governance Disclosure	18
F. Risks & Uncertainties	18

BELMONT RESOURCES INC.
(the “Company”)

FORM 51-102F1

Management’s Discussion & Analysis
for the Year Ended – January 31, 2021
(and containing information as of May 31, 2021)

Item 1: ANNUAL MD&A

Introduction

Management’s Discussion and Analysis (“MD&A”) focuses on significant factors that affected Belmont Resources Inc.’s performance and factors that may affect its future performance. In order to better understand the MD&A, it should be read in conjunction with the audited financial statements of the Company and the notes thereto for the year ended January 31, 2021 with comparatives to January 31, 2021; copies of which are filed on the SEDAR website: www.sedar.com.

The Company reports its financial statements in accordance with International Financial Reporting Standards (“IFRS”). The Company’s financial statements and the MD&A are presented in Canadian dollars and are intended to provide a reasonable basis for the investor to evaluate the Company’s development and financial situation.

Forward-Looking Statements

This MD&A contains “forward-looking information” and “forward-looking statements” which include, but are not limited to, statements or information concerning the future financial or operating performance of Belmont Resources Inc. and its business. Forward-looking statements are projections of events, revenues, income, future economic performance or management’s plan and objective for future operations. In some cases, you can identify forward-looking statements by the use of terminology such as “may”, “should”, “expects”, “plans”, “anticipates”, “believes”, “estimates”, “predicts”, “potential” or “continue” or the negative of these terms or other comparable terminology. Examples of forward-looking statements made in this MD&A include statements about the Company’s business plans; the costs and timing of its developments; its future investments and allocation of capital resources; success of exploration activities; requirements for additional capital; and government regulation of mining operations. These statements are only predictions and involve known and unknown risks, uncertainties and other factors, including: general economic and business conditions; fluctuations in worldwide prices and demand for minerals; our lack of operating history; the actual results of current exploration activities; conclusions or economic evaluations; changes in project parameters as plans continue to be refined; possible variations in grade and recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes or other risks of the mining industry; delays in obtaining government approvals or financing or incompleteness of development or construction activities, any of which may cause our or our industry’s actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements.

While these forward-looking statements and any assumptions upon which they are based are made in good faith and reflect our current judgments regarding the direction of Belmont Resources Inc.’s business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions or other future performance suggested herein. Except as required by applicable law, including the securities laws of Canada, the Company does not intend to update any of the forward-looking statements or conform these statements to actual results.

In March 2020 the World Health Organization declared the outbreak of COVID-19 a global pandemic. The actual and threatened spread of the virus globally has had a material adverse effect on the global economy and; specifically, the regional economies in which the Company operates. The pandemic could continue to have a negative impact on the stock market, including trading prices of the Company’s shares and its ability to raise new capital. These factors, among others, could have a significant impact on the Company’s operations

Cautionary Note to Investors Concerning Estimates of Measured and Indicated Resources: This discussion may use the terms “measured resources” and “indicated resources”. The Company advises investors that while those terms are recognized and required by Canadian regulators, the U.S. Securities and Exchange Commission does not recognize them. **Investors are cautioned not to assume that any part or all of mineral deposits in these categories will ever be converted into reserves.**

NATURE OF BUSINESS:

Belmont Resources Inc. (the “Company”) was incorporated January 18, 1978 under the laws of the Province of British Columbia. The Company is listed on the TSX Venture Exchange as a Tier 2 mining exploration issuer, and is primarily engaged in the acquisition, exploration and development of resource properties. The shares of the Company trade on the TSX-V under the symbol “BEA”.

1.1 DATE: – MAY 31, 2021

The following discussion and analysis was approved by the Directors of the Company and should be read in conjunction with the audited consolidated financial statements for the years ended January 31, 2021 and 2020 and the accompanying notes thereto. All figures are in Canadian dollars unless otherwise noted.

1.2 OVERALL PERFORMANCE AND DEVELOPMENT:**(a) Crackingstone River (“CRR”) –Uranium City area, Northern Mining District, Northern Saskatchewan**

During the year ended January 31, 2013, the Company assessed the likelihood of funding exploration activities and the ability to attract a suitable joint venture partner to participate on its property as very low due to global concerns of uranium use and overall market conditions. Accordingly, the Company has charged an additional impairment of \$199,999 to the property reducing it to a nominal \$1.

(b) Kibby Basin – Esmeralda County, Nevada-U.S.A.

On **March 29, 2016** the Company entered into a Property Purchase Agreement (the “Agreement”) with Zimtu Capital Corp. (“Zimtu”) to acquire a 100% interest in the Kibby Basin Property (the “Property”) located 65 km north of Clayton Valley, Nevada-U.S.A. Terms of the Agreement are:

- Pay to Zimtu the sum of \$25,000 as follows:
 - (i) \$5,000 upon signing of the Agreement (**paid**).
 - (ii) \$20,000 upon regulatory approval of the Agreement (**paid**).
- Issue 125,000 common shares of Belmont to Zimtu as follows:
 - 62,500 common shares upon regulatory approval (**issued**) and
 - 62,500 common shares at six months from regulatory approval (**issued**).

The Agreement is subject to a 1.5% NSR of which the Company has the right to purchase half (50%) from Zimtu, at any time for \$1,000,000

On **May 26, 2016** the Company the TSX Venture Exchange (the “Exchange”) has accepted for filing the Property Purchase Agreement (the “Agreement”) to acquire a 100% interest in the Kibby Basin Property (the ‘Property’) located 65 km north of Clayton Valley, Nevada-U.S.A.

In addition, the Exchange has accepted for filing the NI 43-101 Technical Report dated May 26, 2016. Further information on the Technical Report can be reviewed as filed on SEDAR and on the Company’s website Project page at www.BelmontResources.com

2016 – 2018

- **Details of exploration and developments for 2016 through to 2018 can be found on the April 30, 2019 Management Discussion & Analysis as filed on SEDAR.**

During 2019:

- **March 1, 2019** - After making significant alterations to their drill equipment on location; Harris Drilling re-commenced drilling on hole KB-4. Highly unusual weather conditions in the area including snow, freezing rain, and ice earlier in February; were also a cause for the delay in restarting hole KB-4.
- **March 21, 2019** – **The State of Nevada Department of Conservation and Natural Resources – Division of Water Resources has approved Belmont’s application for water rights.** The two well permits to develop groundwater (brine) in the Monte Cristo Groundwater Basin may be the first of their kind in Nevada.
- **March 21, 2019** – The Company reported that hole KB-4 has completed at a depth of 840 feet into lakebed sediments.
- **May 2, 2019** – The Company reports assay results of Hole KB-4 on Kibby Basin, Nevada. For further details, review the news release as filed on SEDAR and on the Company website.

During 2020:

- **August 31, 2020** – The Company has paid the Annual Fees in the amount of \$21,220 USD to the Bureau of Land Management – Nevada. The property is in good standing. The Company is searching for an option or joint venture partner to continue advancing the exploration and development of this property.

See Subsequent Event Notes Section 1.14 (C) (ii) following for further updates.

(c) Pathfinder Property, Greenwood Mining Division, southeastern British Columbia

March 27, 2019 - The Company entered into arm’s length acquisition agreement with David Heyman & Clive Brookes (the “Vendors”), to acquire 253.34 hectares of mineral claims which is part of the former Pathfinder Property, located in southern British Columbia, approximately 18 km north of Grand Forks, in the Greenwood Mining Division. The property covers a highly mineralized area at the northeastern edge of the Boundary Mining Camp; also known as the historically productive and larger Republic-Greenwood Gold District. Copper and gold mining in this camp dates back to the turn of the century.

Pursuant to the Agreement, in order to complete the acquisition the Company must:

- Pay the Vendors \$25,000 upon signing (**paid**);
- **Issued** a total of (on a post-consolidation basis) 187,500 common shares and 187,500 warrants (to each Vendor 93,750 common shares of the Company and 93,750 transferable warrants exercisable at a price of \$0.80 per share for a period of two years from the approval date, as set out below:
 - (i) 156,250 common shares and 156,250 warrants (78,125 shares and 78,125 warrants to each vendor on the approval date (**issued**);
 - (ii) 31,250 shares and 31,250 warrants to the vendors (15,625 shares and 15,625 warrants to each vendor) on the one year anniversary of the Agreement date (**issued**);

A 1.5% Net Smelter Return Royalty (“NSR”)- 0.75% to each Vendor. The Company may acquire one-half of the NSR for \$1 million upon commencement of commercial production on the Property.

April 15, 2019 – The TSX Venture Exchange has accepted for filing documentation in connection with the mineral property acquisition agreement dated March 27, 2019 between David Heyman and Clive Brookes (the Vendors) and Belmont Resources Inc.

May 9, 2019 – The Company engaged a geological consultant to visit the Pathfinder property to complete an initial assessment of the property. The proposed work program details can be reviewed in the news release as filed on SEDAR and on the Company website.

July 30, 2019 – The Company received a positive Summary Report from the consulting geologist, who recently completed his visit to the property. The report gives details of surface rock sampling and compilation of previously published and un-published reports. Details of the work carried out, and sample assay highlights can be further review in our news release as filed on SEDAR and the Company website.

October 17, 2019 – The Company reported further encouraging assay results on surface sampling. Gold, Silver and Copper results were identified with a high of 5.228 ppm Au, 35.86 ppm Ag, 2.07% Cu, and 1486.8 ppm Co. Further details can be reviewed in the news release as filed on SEDAR and the Company website.

(d) Athelstan Group (i – iv Claims) , Greenwood Mining Division, southeastern British Columbia

(i) October 29, 2019 – The Company has acquired 2 mineral claims (the “**Glenora and Bay Horse**” claims) containing approx. 127 hectares from three non-related third parties. The claims are adjacent to the south side of Golden Dawn’s –Golden Crown project.

Terms of the acquisition are:

- A total of 420,000 units upon TSX Venture Exchange approval. Each Unit contains one common share (the “Shares”) in the capital of Belmont and one transferable warrant (the “Warrants”) exercisable at a price of \$0.08 per Share for a period of 18 months from the approval date (**issued**).
- An additional 420,000 shares of the Company on the one-year anniversary of the Agreement date. (**issued – the common shares have a hold period until March 2, 2021**)
- A 1.5% NSR royalty to the vendors, with Belmont having the right to acquire half (50%) of the NSR from the vendors within five years of the Agreement Date in consideration for \$500,000 cash.

(ii) November 21, 2019 – The Company entered into the acquisition of 100% interest in the “**Pride of the West**” Crown Granted Claim (approx. 20 ha), in the historic Greenwood Gold Camp, B.C.

Terms of the Acquisition Agreement:

- 100,000 common shares (the “Shares”) upon TSX Venture Exchange approval (**issued** December 3, 2019 –shares have a hold period until April 4, 2020).
- On completion of a financing or 120 days whichever comes first, the payment of \$25,000.
- **June 17, 2020** - The Company and Laurence Sookochoff, the “Vendor” agreed to amend the terms of the cash payment of \$25,000 due on the property. The Vendor agreed to accept 500,000 common shares at a deemed price of \$0.05 in lieu of the cash payment; subject to Exchange approval.
- **June 22, 2020** – The Company received Exchange acceptance of the amended agreement and the Company **issued** 500,000 common shares in the capital of the Company.

(iii) November 30, 2019 – The Company entered into the acquisition of 100% interest in the “**Black Bear**” reverted Crown Granted Claim (approx. 25 ha), in the historic Greenwood Gold Camp, B.C.

Terms of the Acquisition Agreement:

- 100,000 common shares (the “Shares”) upon TSX Venture Exchange approval (**issued** December 20, 2019 –shares have a hold period until April 21, 2020);
 - On completion of a financing or 120 days whichever comes first, the payment of \$25,000;
 - **July 6, 2020** – The Company and George Nakade, the “Vendor” of the Black Bear mineral claim agreed to amend the terms of the cash payment of \$25,000 due on the property. The Vendor agreed to accept 500,000 common shares at a deemed price of \$0.05 in lieu of cash payment; subject to Exchange approval.
 - **August 13, 2020** – The Company received Exchange acceptance of the amended agreement and the Company issued 500,000 common shares in the capital of the Company.
- (iv) **May 7, 2020** – The Company has signed a Acquisition Agreement (the “Agreement”) with Forty Ninth Ventures Ltd. (the “Vendor”) to acquire 100% interest in the crown granted claims known as the **“Athelstan-Jackpot Property”**, located in the Greenwood Mining Division, B.C. Terms of the Agreement are:
- 200,000 common shares upon Exchange approval (**issued**).
 - 200,000 additional common shares on the one- year anniversary of the Agreement date (**issued- subsequent to the year-ended January 31, 2021**)
 - \$50,000 USD cash payment on the one- year anniversary of the Agreement date. Belmont has the option to issue common shares for ½ (\$25,000 USD) of the cash payment (**Issued 419,667 common shares subsequent to the year-ended January 31, 2021 in lieu of \$25,000 USD cash payment, and paid \$25,000 USD**).
 - A 2% NSR, with Belmont having the right to buy back 1% of the NSR for \$500,000 USD. Further details of the Athelstan Property and transaction can be reviewed in the May 11, 2020 news release as filed on SEDAR and the Belmont website.

May 14, 2020 – The Company received Exchange acceptance of the Forty Ninth Ventures Ltd.-Athelstan Property Agreement and **issued** the 200,000 common shares in connection with the Agreement.

August 25, 2020 - A multi-year area-based exploration permit application has been submitted to the Ministry of Energy and Mines to cover this next phase of work on the property.

September 22, 2020 – The Company completed a helicopter-borne Lidar survey. The 5.3 square km survey was flown by Pioneer Exploration Consultants Ltd., with point cloud data acquired at a density of 20 points per square metre.

October 20, 2020 – The Company contracted SJ Geophysics to undertake a 3DIP survey. The survey will consist of the acquisition of 3D DC Resistivity/Induced Polarization (3DIP) data utilizing their proprietary Volterra Acquisition system, collectively referred to as a Volterra-3DIP survey

November 19, 2020 - **The Company announced that results from the recently completed Volterra 3D-IP survey have been received and interpreted. These results have identified several strong anomalies that are slated for drill testing. Further details can be reviewed in the news release as filed on our website and SEDAR.**

November 26, 2020 - **The Company has been granted an Exploration Permit by the British Columbia Ministry of Energy and Mines for drilling and other surface exploration. This is a five-year area-based permit. A reclamation bond of \$14,000 was posted. Further details can be reviewed in the news release as filed on our website and SEDAR.**

January 21, 2021 – The Company announced drill crews are now preparing to mobilize and commence drilling on February 1, 2021. Belmont plans to complete 2,000 metres of drilling.

See Subsequent Event Notes Section 1.14 (C) (ii) following for further updates.

(e) Come by Chance Property, Greenwood Mining Division, Southeastern, British Columbia

May 27, 2020 – The Company entered into a Property Acquisition Agreement (the “Agreement”) to acquire 100% interest in the Come By Chance mineral claims known as the (“CB Chance Property”), located in the Greenwood Mining Division, B.C. Terms of the Agreement are:

- (i) \$7,500 cash payment on Exchange acceptance (**paid**).
- (ii) Share Issuances in the capital of the Company as follows:
 - 100,000 common shares upon Exchange acceptance (**issued June 5, 2020**).
 - 200,000 common shares on the one- year anniversary of the Agreement Date (**issued May 27, 2021**)
 - 200,000 common shares on the second- year anniversary of the Agreement Date.
- (iii) A 1.5% NSR Royalty with the option for the Company to buy back 1% for \$1M Cdn. Further details of the CB Chance Property can be reviewed in the news release as filed on SEDAR and the Belmont website.

June 5, 2020 – The Company received Exchange acceptance of the CB Chance Property Agreement and **issued** the initial 100,000 common shares in connection with the Agreement. The shares have a hold period until October 6, 2020.

October 6, 2020 - A helicopter-borne Lidar survey has been completed. The 5.3 square km survey was flown by Pioneer Exploration Consultants Ltd., with point cloud data acquired at a density of 20 points per square metre. **See the news release on our website and filed on SEDAR for further details.**

October 15, 2020 - **The high resolution UAV (unmanned airborne vehicle) magnetic survey on the property has been completed. The 5.3 square km survey was flown by Pioneer Exploration Consultants Ltd.**

The results of the magnetic survey have advanced the exploration of the CBC Property to specific locations for the next stage of exploration to ultimately locate the porphyry copper-gold intrusive-by diamond drilling.

See Subsequent Event Notes Section 1.14 (C) (ii) following for further updates.

1.3 SELECTED ANNUAL INFORMATION:

The following table sets forth selected audited financial information of Belmont Resources Inc. for the last three completed financial years.

	<i>FISCAL YEARS ENDED</i>		
	January 31, 2021	January 31, 2020	January 31, 2019
Net Sales or Total Revenues	\$Nil	\$Nil	\$Nil
Total Comprehensive (Loss)	*(\$611,402)	**(\$665,748)	***(\$1,406,905)
Loss Per Share	(\$0.02)	(\$0.05)	(\$0.14)
Total Assets	\$2,213,642	\$1,424,036	\$1,262,170

Total long-term financial liabilities	\$Nil	\$Nil	\$Nil
Cash dividends declared per share	\$Nil	\$Nil	\$Nil

***During the year-ended January 31, 2021 the Company recorded a Recovery of Bad Debts of \$6,494 (\$42,499 in 2020). Operating expenses decreased by \$53,105. The largest decrease was in Travel & Promotion - \$16,528 (\$128,845 in 2020).**

****During the year-ended January 31, 2020 the Company recorded a Recovery of Bad Debts of \$42,499 (\$6,153 in 2019). Operating expenses during the year decreased by \$175,237. The largest decreases were in Travel & Promotion -\$128,845 (\$256,733 in 2019); Stock based payments (a non-cash item) which was \$97,184 (\$211,720 in 2019); and Bad Debt expense of \$80,486.**

****During the year-ended January 31, 2019 the Company recorded an Impairment of Exploration and Evaluation Assets of \$80,001 (\$Nil in 2018). Operating expenses during the year increased by \$659,053. The largest increase was in Stock-based payments (a non-cash item) which was \$211,720 (\$29,355 in 2018) as a result of 5,325,000 options granted during the year at \$0.05 & \$0.06 compared to only 2,000,000 at \$0.05 in the previous year. Also, a recording of 10 million warrants (valued at \$450,814) that were issued to MGX Minerals Inc. exercisable to August 24, 2021.**

1.4 DISCUSSION OF OPERATIONS UP TO AND INCLUDING THE TWELVE MONTHS ENDED JANUARY 31, 2021:

The Company reports its financial statements in accordance with International Financial Reporting Standards (“IFRS”). The Company’s MD&A is presented in Canadian dollars and is intended to provide a reasonable basis for the investor to evaluate the Company’s development and financial situation. A significant part of the Company’s value is in Resource Property Interests relating to the Kibby Basin property in Nevada, USA, and now various acquisitions in the historic Greenwood Gold Camp, in British Columbia, Canada.

For the twelve months ended January 31, 2021, the Company reported in its Statement of Comprehensive Loss a Total Comprehensive loss including other items of (\$611,402) compared to a Total Comprehensive loss of (\$664,507) for the twelve months ended January 31, 2020. Total operating expenses before Other Items decreased by \$53,105 (7.99%) for the same comparable periods. The major decrease was in travel and promotional costs, due to COVID-19. Numerous conferences were cancelled during 2020, that the Company would usually have a booth at and attend.

The Company has no producing properties, and consequently no sales or revenues.

Increases were in:

- Consulting Fees increased to \$86,236 (\$73,948 in 2020) as a result of increased review and recommendations of property acquisitions, new marketing proposals, advertising, and financing opportunities.
- Loan interest was \$17,906 (\$11,571 in 2020), increased as a result of four promissory notes totaling \$90,000 entered into between August 15 and December 17, 2019; all bearing interest at 1.5% per month. One loan of \$15,000 plus interest was repaid in the quarter ending April 30, 2020; and the remaining loans plus interest were repaid in the third quarter.
- Office and miscellaneous combined with Rent, Telephone and internet increased to \$42,054 in 2021 (\$22,868 in 2020), as shared companies decreased.
- Property related costs of \$1,011 in 2021 (\$250 in 2020) were expensed.
- Regulatory fees also increased to \$31,185 in 2021 (\$26,936 in 2020) as a result of increased fees incurred in property agreements, and private placements.
- Salaries and administrative services increased marginally to \$167,416 (\$166,146 in 2020) as a result of the management contract with the new CEO.
- Stock based payment expense (a non-cash item) increased to \$171,615 (\$97,184 in 2020) as a

result of the valuation of more options granted in 2021 compared to 2020.

- Recovery of flow-through liability of \$9,987 (a non-cash item), (\$nil in 2020) as a result of exploration expenditures incurred.

Decreases were in:

- Amortization decreased marginally to \$3,010 in 2021 (\$3,106 in 2020) due to asset depreciation during the year. Foreign exchange loss of \$91 in 2021 (\$1,220 gain in 2020).
- Legal, Audit, and Accounting decreased to \$56,792 (\$66,982 in 2020), as a number of transactions, property acquisitions (letters of intents), etc. are being prepared in-house.
- Recovery of shared office expenses previously written down of \$6,494 (\$42,499 in 2020).
- Shareholder Relations combined with Travel and promotion decreased to \$24,676 (\$138,071 in 2020). The Company presented at the Vancouver Resources Investment Conference (January 19-23, 2020 as well as the AMEBC Roundup immediately following); and the PDAC in Toronto, Ontario (March 1-4, 2020); incurring costs of travel, accommodation, and printing information for distribution. The Zimtu Capital Corp. consulting agreement was also accepted for renewal during the previous year, and expensed monthly, but has not been renewed in 2021. During the previous year, the Company also engaged additional investor communication firms such as Stockhouse, Investing News Network (INN), as well as IRW Press in Germany for translations and distribution in various German and other media. The Company did not attend the International Precious Metals & Commodities show in Munich this year as it was cancelled due to COVID-19.
- Transfer agent fees decreased to \$14,590 in 2020 (\$19,678 in 2020) as a result of the share consolidation related costs in the previous year.

1.5 SUMMARY OF QUARTERLY RESULTS:

The following table sets forth selected (unaudited) quarterly financial information for each of the last eight most recently completed quarters:

	<i>QUARTERS ENDED</i>			
	January 31, 2021	October 31, 2020	July 31, 2020	April 30, 2020
Total Revenues	\$Nil	\$Nil	\$Nil	\$Nil
Net (Loss) Gain	*(\$126,141)	**(\$309,687)	***(\$92,368)	****(\$83,206)
(Loss) per Share	(\$0.01)	(\$0.01)	(\$0.00)	(\$0.00)

	January 31, 2021	October 31, 2019	July 31, 2019	April 30, 2019
	Total Revenues	\$Nil	\$Nil	\$Nil
Net (Loss) Gain	*(\$218,083)	**(\$128,268)	***(\$139,029)	****(\$179,127)
(Loss) per Share	(\$0.00)	(\$0.01)	(\$0.01)	(\$0.02)

*The major difference in the 4th quarter ended January 31, 2021 compared to January 31, 2020 was stock based payment of \$36,732 (\$852 in 2020) and bad debt expense of \$11,386 (\$81,486 in 2020).

**The major difference in the 3rd quarter ended October 31, 2020 compared to October 31, 2019 was an increase in consulting fees to \$63,100 (\$10,000 in 2019) and stock based payment of \$127,134 (\$31,114 in 2019).

***The major differences in the 2nd quarter ended July 31, 2020 compared with July 31, 2019 was a decrease in travel and promotion to \$4,774 (\$48,915 in 2019) and consulting fees of \$nil (\$18,400 in 2019)

****The major differences in the 1st quarter ended April 30, 2020 compared with April 30, 2019 were the decreases in stock based payment expense \$6,897 (\$63,854 in 2019) and travel and promotion expense of \$2,400 (\$51,242 in 2019)).

1.6 LIQUIDITY:

At January 31, 2021 the Company had working capital of \$148,377 compared to January 31, 2020 a deficiency of (\$469,771). The Company expended \$537,864 on operating activities during the period ending January 31, 2021. The Company raised gross proceeds of \$1,448,040 through the issuance of securities during the period ended January 31, 2021 through private placements, exercise of warrants, and options. The Company has limited working capital to continue administrative operations and to provide care and maintenance on its mineral properties, however, anticipates arranging further private placement financings and warrants being exercised to raise financing in order to continue developing its properties.

1.7 CAPITAL RESOURCES:

The Company's ability to continue as a going concern in the short term is dependent upon its ability to obtain financing. The Company obtains financing by the issuance of share capital or from the disposition of its mineral prospects. Although the Company has been successful in the past in obtaining financing, there can be no assurance that it will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. Failure to obtain additional financing in the near future may result in the delay of exploration on new acquisitions.

During the first quarter ended April 30, 2020 the following share issuances occurred to raise share capital and for property acquisition payments:

- **February 11, 2020** – Issued 60,000 common shares with a fair value of \$2,100 as bonus shares in consideration of a promissory note issued.
- **April 6, 2020** – Issued 31,250 units valued at \$1,444 to acquire an exploration asset. Each unit comprises one common share and one transferable share purchase warrant expiring April 6, 2021. Each warrant entitles the holder to acquire one additional common share at a price of \$0.80 per share.
- **April 29, 2020** – 4,455,500 units (the ‘Units’) at a price of \$0.03 per Unit for gross proceeds of \$133,665. Each Unit consisted of one common share of the Company and one transferable share purchase warrant (a ‘Warrant’). Each whole Warrant will permit the holder to acquire one additional share of the Company at a price of \$0.05 until April 29, 2022. Eighteen (18) places participated.

During the second quarter ended July 31, 2020 the following share issuances occurred to raise share capital and for property acquisition payments:

- **May 7, 2020** – Issued 2,200,000 units @ \$0.03 per unit for gross proceeds of \$66,000. Each unit comprises one common share and one transferable share purchase warrant expiring May 7, 2022. Each warrant entitles the holder to acquire one additional common share at a price of \$0.05 per share. The Company paid a finder's fee of \$1,680 in cash and issued 136,000 brokers warrants (same terms as above).
- **May 14, 2020** – Issued 200,000 common shares with a fair value of \$10,000 in connections with a property acquisition agreement.
- **June 5, 2020** – Issued 100,000 common shares with a fair value of \$10,000 in connection with a property acquisition agreement.
- **June 22, 2020** – Issued 500,000 common shares with a fair value of \$25,000 in connection with a property acquisition agreement.

- **July 6, 2020** - Issued 500,000 units @ \$0.05 per unit for gross proceeds of \$25,000. Each unit comprises one common share and one transferable share purchase warrant expiring July 6, 2021. Each warrant entitles the holder to acquire one additional common share at a price of \$0.08. The warrant term may be accelerated if the issuer's shares trade at or above a price of \$0.15 per share for a period of 10 consecutive days. See the news release as filed on SEDAR and the Company's website June 17, 2020 for further details.
- **August 13, 2020** – Issued 500,000 common shares with a fair value of \$40,000 in connection with a property acquisition agreement.

During the third quarter ended October 31, 2020 the following shares issuances occurred to raise capital and for property acquisition payments:

- **August 27, 2020** – 9,175,000 units were issued at a price of \$0.075 for gross proceeds of \$688,125. Each unit comprises one common share in the capital of the Company and one transferable warrant. Each whole warrant will permit the holder to acquire one additional common share of the Company at a price of \$0.10 for three years from closing. 28 places subscribed to the private placement.

The Company paid finder's fees totaling \$26,850 and issued 358,000 finder's warrants in respect of subscriptions under the private placement. Each finder's warrant is exercisable to acquire one common share at \$0.10 for three years from closing.

- **September 29, 2020** – 875,000 common shares were issued as a result of 875,000 warrants exercised at a price of \$0.05 for gross proceeds of \$43,750.
- **October 29, 2020** – 420,000 common shares were issued in connection with a property acquisition agreement.

During the fourth quarter ended January 31, 2021 the following share issuances occurred to raise share capital and for property payments:

- **December 23, 2020** – 5,050,000 flow-through units at \$0.08 per unit for total proceeds of \$404,000. Each unit comprises one common share and one transferable share purchase warrant expiring December 23, 2022. Each warrant entitles the holder to acquire one additional common share at a price of \$0.12 per share. The warrant term may be accelerated. The Company paid finder's fees of \$30,784 cash and 384,800 brokers' warrants.

The flow-through units were issued at a premium in recognition of the tax benefits accruing to the subscribers and was calculated to be \$101,000.

- **January 6, 2021** – 1,250,000 units at \$0.07 per unit for total proceeds of \$87,500. Each unit comprises one common share and one transferable share purchase warrant expiring January 6, 2023. Each warrant entitles the holder to acquire one additional common share at a price of \$0.10 per share. The warrant term may be accelerated.

See Subsequent Event Notes Section 1.14 (C) (i) following for further details of financial matters.

1.8 OFF-BALANCE SHEET ARRANGEMENTS:

The Company has no other long-term debt, does not have any used lines of credit or other arrangements in place to borrow funds, and has no undisclosed off-Balance Sheet Arrangements.

1.9 TRANSACTIONS BETWEEN RELATED PARTIES:

The Company entered into the following transactions with and had balances due to and from related parties as at the year ended January 31, 2021 (with comparative to January 31, 2020) as follows:

Transactions between related parties during the periods are summarized below:

- Salaries and benefits of \$60,000 in 2021 (\$60,000 in 2020)
- Management fees¹ of \$110,000 in 2021 (\$110,000 in 2020)
- Geological consulting fees of \$6,000 in 2021 (\$nil in 2020)
- Rent recovery² \$14,054 in 2021 (²\$56,400 in 2020)
- Office supplies and administrative services recovery² \$6,840 in 2021 (\$13,680 in 2020)

²In the normal course of operations, the Company shares administrative, staff, occupancy, and management costs with a group of related companies (International Montoro Resources Inc. and Highbank Resources Ltd.).

Effective September 1, 2012 the Company signed an Amended Office Services Agreement with the Chief Financial Officer increasing his salary from \$4,000 per month to \$5,000 per month for a further two- year term. This was automatically renewed for an additional two- year term at its anniversary date of September 1, 2019.

¹The Company entered into a settlement agreement with the Company's Chief Executive Officer who retired as of January 31, 2018. The compensation includes one-time severance payment of \$60,000. One-half \$30,000 of this severance has been paid in the previous financial year. The balance has been paid during the period.

¹On February 1, 2018, the Company entered into a Management Services agreement with Geomorph Consulting, a company owned by the Company's new Chief Executive Officer, for a monthly fee of \$5,000 for a term of two years. On November 15, 2019, the Agreement was terminated by the Company and a severance payment of \$50,000 is payable.

¹On November 15, 2019 the Company entered into a Management Services Agreement with Cankor Capital Inc., a company owned by the Company's new Chief Executive Officer for a term of six months. The monthly fee will be \$5,000 for the first three months and \$7,500 thereafter. On June 15, 2020 the Company entered into a Management Consulting Agreement with Cankor Capital Inc. for an indefinite period with compensation of \$10,000 monthly.

During the year the Company paid \$6,000 (2020 - \$nil) to a director of the Company for geological consulting services.

(i) Amounts due from related parties as at the year ended January 31, 2021:

Companies with directors and officers in common owe \$114,155 in 2021 (\$116,310 at January 31, 2020). During the year ended January 31, 2020, the Company recorded a bad debt expense of \$11,386 (2020- \$81,486) in connection of impairments of the balances due from the companies with common directors and officers. During the period ended January 31, 2021 the Company recovered \$6,494 of the prior year's bad debt (2020 - \$42,499).

(ii) Amounts due to related parties as at the year ended January 31, 2021 were:

A total of \$162,000 is due to officers and directors and companies controlled by officers and directors of the Company for management fees, salaries, and expenses incurred; compared to \$236,629 for the year ended January 31, 2020.

A total of \$1,313 (2020 - \$1,313) is due to a company with directors and officers in common.

Related party transactions have been recorded at their exchange amount, which is the amount of consideration established and agreed to by the related parties. Amounts due to and from related parties are non-interest bearing, unsecured, and have no specified terms of repayment.

1.10 PROPOSED TRANSACTIONS/COMMITMENTS:

- (i) **On September 17, 2015** the Company negotiated an office lease renewal for a five year period expiring November 30, 2020 (the “Fifth Renewal Term”), at a basic rent increase from \$3,029 to \$3,228.75 per month until November 30, 2017; \$3,382.50 from December 1, 2017 to November 30, 2019; and \$3,536.25 from December 1, 2019 to November 30, 2020.

All other terms of the Fifth Renewal Term remain the same as per the original lease and the new rates become **effective December 1, 2015**. However, the Company shall not be responsible for the payment of Basic Rent for the 1st, 13th, 25th, 37th, 38th, 49th and 50th months of the extension terms, being December 2015, December 2016, December 2017, December 2018, January 2019, December 2019 and January 2020 (the “Basic Rent Free Period”). The Company committed to paying its proportionate share of all property taxes, operating costs and other charges as outlined in the lease agreement estimated to total \$2,736 per month.

The above-mentioned lease expired November 30, 2020 and was not renewed. The Company moved on December 1, 2020 to another office location at Suite 615 -800 West Pender Street, Vancouver, B.C. – a shared office space renting on a month-to-month basis.

The Company applied for rent relief under the Canada Emergency Rent subsidy in 2020. The Company received \$35,417 (net of moving costs) in May 2021.

- (ii) **October 31, 2019** – Proceedings through ICSID have formally come to an end in Belmont’s action for compensation from the Republic of Slovakia regarding the Gemerska Poloma talc deposit investment. The Company has received official notice that the ‘Application for Annulment of the Decision’ rendered on August 18, 2017 has been discontinued.

(iii) **May 7, 2020 Athelstan-Jackpot Property Agreement**

- 200,000 additional common shares on the one- year anniversary of the Agreement date (issued)
- \$50,000 USD cash payment on the one- year anniversary of the Agreement date. Belmont has the option to issue common shares for ½ (\$25,000 USD) of the cash payment. (issued 419,167 common shares in lieu of \$25,000 USD) and \$25,000 USD cash (paid).

(iv) **May 27, 2020 Come by Chance Property Agreement**

- 200,000 additional common shares on the one-year anniversary of the Agreement date (issued).
- 200,000 additional common shares on the two-year anniversary of the Agreement date.

1.11 CRITICAL ACCOUNTING ESTIMATES:

Our financial statements have been prepared in conformity with International Financial Reporting Standards (“IFRS”) and form the basis for discussion and analysis of critical accounting policies and estimates. Management is required to make estimates and assumptions that affect the report amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Significant financial statement areas requiring the use of management estimates relate to the determination of impairment of assets and resource property interests, and their useful lives for amortization, the fair value of investments and share-based

compensation, and the recoverability of future income tax assets. Financial results as determined by actual events could differ materially from those estimates.

Risk management:

The Company's mineral property holdings and exploration activities create potential exposure to environmental liabilities, including site reclamation. The Company is currently in the initial exploration stages on its United States property interests and management has not determined whether significant site reclamation costs will be required. The Company records liability for site reclamation when determinable on a systematic accrual basis in the period in which such costs can be reasonably determined.

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities as they come due. Due to current economic conditions in capital markets the Company has a high risk associated with liquidity. The Company does not hold complex financial instruments or significant long-term assets.

1.12 CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION:

None

1.13 FINANCIAL AND OTHER INSTRUMENTS:

The Company's financial instruments consist of cash, marketable securities, accounts receivables, amounts due to and from related parties, and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency risks arising from financial instruments. The fair value of these financial instruments approximates their carrying value due to their short-term maturity or capacity of prompt liquidation.

1.14 OTHER MD&A REQUIREMENTS:

Additional information relating to the Company's operations and activities can be found by visiting the Company's website www.BelmontResources.com as well as numerous news releases and NI 43-101 reports filed on SEDAR at www.sedar.com

April 28, 2017 - DTC Eligible:

Belmont Resources Inc. has been made eligible for book-entry delivery and depository services of the Depository Trust Company (DTC) to facilitate electronic settlement and transfer of its common shares on the U.S. stock exchange OTC.

The Depository Trust Company is one of the world's largest securities depositories. While there is no requirement that any security be held at DTC to trade, many brokerage firms and issuers want to take advantage of the efficiencies and cost benefits that DTC offers.

As the Company is now eligible; DTC, through its nominee Cede & Co., it is the registered holder of the securities, routinely managing the electronic, book-entry transfers of interests in securities among participants.

This electronic method of clearing securities accelerates the receipt of stock and cash, and thus streamlines the settlement process for investors and brokers, enabling the stock to be traded over a much wider selection of brokerage firms by coming into compliance with their requirements.

Annual General Meeting:

July 30, 2020 - The nominees listed in the management Information Circular for the 2020 Annual General Meeting of Shareholders (the "AGM") held on July 30, 2020 were elected as directors of the Company. The

shareholders re-elected James H. Place, Gary Musil, Vojtech Agyagos, and elected recently appointed George Sookochoff and Laurence Sookochoff for the upcoming year.

The scrutineer reported that there was a total of 24 shareholders holding 2,766,169 common shares represented in person or by proxy at the meeting. This represented 11.45% of the total 24,162,155 issued and outstanding at record date. Detailed results of the vote for the election of directors are set out below:

<u>Nominee</u>	<u>Votes For</u>	<u>%For</u>	<u>Votes Withheld</u>	<u>% Withheld</u>
George Sookochoff	2,766,169	100.00%		
Gary Musil	2,766,169	100.00%		
James H. Place	2,735,857	98.89%	30,312	1.11%
Vojtech Agyagos	2,765,857	99.99%	312	0.01%
Laurence Sookochoff	2,764,169	99.93%	2,000	0.07%

Other resolutions submitted by management to shareholders for consideration were approved as presented, including the approval of the Company's Stock Option Plan as summarized in the Information Circular (98.90% For; 1.10% Against). Approval of the re-appointment of Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants, as auditors for the ensuing year, and authorized the Directors to fix their remuneration (99.93% For; 0.07% Withheld).

Laurence Sookochoff, P.Eng. joins the board as of the July 30, 2020 AGM. Details of his experience can be found in the news release dated August 4, 2020 as found on our website and as filed on SEDAR.

At the Directors Meeting following the AGM, the directors appointed George Sookochoff as President/Chief Executive Officer & Chairman, and Gary Musil as Corporate Secretary/Chief Financial Officer. The Audit Committee appointees are: Gary Musil, Vojtech Agyagos & Laurence Sookochoff.

Stock Option Plan – Rolling:

September 2, 2020 – The Company filed the 2020 Annual Stock Option Plan (the “Plan”) with the TSX Venture Exchange for acceptance. The Plan was approved by shareholders at the July 30, 2020 AGM. On **September 9, 2020** the Exchange accepted for filing the Company's annual renewal of its Rolling 10% Plan.

Share Consolidation:

June 6, 2019 – Pursuant to a special resolution passed by directors May 24, 2019, the Company has consolidated its capital on a 1:8 basis. The name of the Company has not been changed. **Effective at the opening on Thursday, June 6, 2019, the common shares of Belmont Resources Inc. commenced trading on the TSX Venture Exchange on a consolidated basis.**

Post consolidation:

Symbol: TSX.V: BEA (unchanged)
New Cusip No.: 080499502

Shareholder and Investor Relations:

On January 19-23, 2020 the Company exhibited at the Vancouver Resource Investment Conference (VRIC) in the Vancouver Convention Centre. This was followed by two more day at the AMEBC annual “Roundup” Mining Conference.

March 1-4, 2020 - The Company exhibited with Zimtu Capital Corp. at the annual Prospectors and Developers Association of Canada Convention (PDAC) in the Metro Toronto-Ontario Convention Centre.

Other:

May 17, 2018 – The Company appointed Ian Graham, B.Sc. (Geology) to its Advisory Board. Mr. Graham is an accomplished mining executive with over 20 years of international experience exploring for and developing mineral deposits. He has spent over half of his career working for major mining companies, including roles at Rio Tinto and Anglo American. Mr. Graham possesses industrial minerals experience and is well known for his successes within the diamond sector.

November 13, 2019 – The Company announced the appointment of George Sookochoff as its new President and CEO, effective immediately. Mr. Sookochoff replaces former President and CEO James (Jim) H. Place, P.Geo. Mr. Place will remain on the board of directors and continue to offer his services as required. Further details of Mr. Sookochoff’s experience and past services in the mining industry can be reviewed in the news release as filed on SEDAR and on our website at www.belmontresources.com

July 30, 2020 – Jared Lazerson was not reelected to the Board of Directors at the AGM.

November 30, 2020 – The Company’s five-year office lease expired and the Company did not renew its lease on 625 Howe Street. The Company has arranged rental of new office space at #615, 800 West Pender Street, Vancouver, B.C. on a month-to- month basis commencing December 1, 2020.

A. Authorized and Issued Share Capital as at May 31, 2021:

Authorized: Unlimited common shares without par value.

Issued and outstanding: **45,648,322** common shares post-consolidated (June 6, 2019 – consolidated 8 old shares for 1 new share.

B. Options, Warrants & Convertible Securities Outstanding as at May 31, 2021:

The following options, warrants, and convertible securities were outstanding (**shown on a post-consolidated basis**):

<u>Options Number</u>	<u>Exercise Price</u>	<u>Expiry Date</u>
240,625	\$0.48	July 9, 2021
25,000	\$0.40	September 11, 2021
250,000	\$0.40	February 22, 2022
550,000	\$0.06	August 22, 2022
50,000	\$0.06	October 17, 2022
200,000	\$0.05	February 24, 2023
1,595,000	\$0.06	August 28, 2025
<u>2,910,625</u>		

- During the 1st quarter-ended April 30, 2019 -Nil options were exercised
- During the 2nd quarter-ended July 31, 2020 – Nil options were exercised
- During the 3rd quarter-ended October 31, 2020 – Nil options were exercised
- During the 4th quarter-ended January 31, 2021 - Nil options were exercised

<u>Warrants Number</u>	<u>Exercise Price</u>	<u>Expiry date</u>
4,030,000	\$ 0.08	June 28, 2021
500,000	\$ 0.08	July 6, 2021
3,334,500	\$ 0.05	April 29, 2022
2,336,000	\$ 0.05	May 7, 2022
5,434,800	\$ 0.12	December 23, 2022
1,250,000	\$ 0.10	January 6, 2023
1,672,000	\$0.10	February 10, 2023
9,533,000	\$ 0.10	August 28, 2023
<u>28,440,300</u>		

-During the 1st quarter-ended April 30, 2019– Nil warrants were exercised; and 970,000 warrants at prices of \$0.40 and \$0.48 expired unexercised.

-During the 2nd quarter-ended July 31, 2020 – Nil warrants were exercised; and 937,500 warrants at a price of \$0.80 expired unexercised

-During the 3rd quarter-ended October 31, 2020 – 875,000 warrants were exercised at \$0.05 per shares. Nil expired.

-During the 4th quarter-ended January 31, 2021 – Nil warrants were exercise; and Nil expired.

C. Subsequent Events following January 31, 2021 to May 31, 2021:

Other Transactions and News Releases:

(i) Share Capital Transactions:

Financings: On February 10, 2021 the Company issued 1,672,000 units at \$0.07 per unit for gross proceeds of \$117,040. Each unit comprises one common share and one transferable share purchase warrant expiring February 10, 2023. Each warrant entitles the holder to acquire one additional common share at a price of \$0.10 per share. The warrant term may be accelerated in the event that the issuer's shares trade at or above a price of \$0.15 per share for a period of 10 consecutive days.

Options:

- Subsequent to the year end, the Company issued a total of 875,000 common shares pursuant to the exercise of stock options at prices between \$0.06 and \$0.07 for total proceeds of \$56,250.
- On March 9, 2021 a total of 100,000 options exercisable at \$0.48 expired unexercised. On May 17, 2021 a total of 12,500 options exercisable at \$0.40 expired unexercised.

Warrants:

- Subsequent to the year end, the Company issued a total of 350,000 common shares pursuant to the exercise of warrants at \$0.08 for total proceeds of \$28,000.
- On April 6, 2021 a total of 31,250 warrants exercisable at \$.80 expired unexercised.
- On April 8, 2021 a total of 156,250 warrants exercisable at \$0.80 expired unexercised.
- On May 14, 2021 a total of 420,000 warrants exercisable at \$0.08 expired unexercised.

Other:

- On April 27, 2021 the Company issued 419,167 common shares pursuant to a property acquisition.
- On May 7, 2021 the Company issued 200,000 common shares pursuant to a property acquisition.
- On May 27, 2021 the Company issued 200,000 common shares pursuant to a property acquisition.

(ii) **News Releases and other Transactions:**

- **February 26, 2021-** The Company announced that it has staked an additional 10,868 acres (4,398 ha) covering nearly the entire Kibby Basin bringing the total claim area to 16,012 acres (6,480 ha). With the additional claims Belmont now controls land covering most of the entire Kibby Basin.
- **March 4, 2021-** The Company reported that its initial diamond drill program at the A-J Gold Project in the Greenwood mining camp of southern British Columbia, has been completed. A total of 2,061 metres of NQ core drilling were completed with nine holes to test IP targets beneath the Contact and A-J gold trends.

Drill core is currently being logged and samples are being sent to ALS Laboratories. The results will be reported once the assays are received, compiled, and interpreted.

- **March 24, 2021-** The Company filed on SEDAR a NI 43-101 Technical Report on the Come By Chance (“CBC”) copper-gold project.
- **April 19, 2021** – The Company filed with the State Engineer for the State of Nevada, an ‘Application for Extension of Time for Filing Proof of Completion of Work’ regarding a one year extension to its Water Permit.
- **May 18, 2021-** The Company announces that it has completed the terms of the option agreement for acquisition of the A-J (Athelstan-Jackpot) gold project signed in May 7, 2020. The Company now holds a 100% interest in the property, subject to a NSR of 2.0% which the company can reduce to 1.0% with a payment of US\$500,000 to the vendors.
- **May 20, 2021** – The Company announced the assay results from the final 4 holes of the recently completed Phase 1-9 (2,061 m) drill program on it’s A-J property. For further details please review the news release as filed on the Company website and on SEDAR. Results from the first 5 drill holes were previously released on April 29, 2021.
- **May 27, 2021-**The Company announced that it has completed further terms of the option agreement for acquisition of the Come By Chance “(CBC”) copper- gold porphyry project signed in May 27, 2020. The Company is acquiring a 100% interest in the property, subject to a NSR of 1.5% which the company can reduce to 0.5% with a payment of Cdn\$1,000,000 to the vendors.

D. Evaluation of Disclosure Controls and Procedures

An internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Company operates with a small executive board and internal staff. Accordingly, lack of segregation of duties is an identified internal control weakness. There have been no significant changes in the Company’s system of internal financial controls over the past year.

The Company’s interim and annual filings and other reports filed or submitted under Canadian securities laws are recorded, processed, summarized and reported within the time periods specified by those laws and that the material information is accumulated and communicated to Management of the Company, including the President and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

E. Corporate Governance Disclosure

The Company has submitted to its members and shareholders details in the Information Circular dated **June 25, 2020** Corporate Governance Disclosure guidelines that have been presented to the Board of Directors for periodic review. Some of these guidelines are: Outlining the Company's business and implementation of appropriate systems to manage any associated risks, communications with investors and the financial community and the integrity of the Company's internal control and management information systems. The Management of the Company periodically updates directors with regulatory policy changes. The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company. The Company's Information Circular can be reviewed on www.Sedar.com

F. Risks and Uncertainties

The Company's principal activity is mineral exploration and development. Companies in this industry are subject to many and varied kinds of risks, including but not limited to, environmental, metal prices, political and economical.

The Company has no producing properties, no significant sources of operating cash flows and consequently no sales or revenues from operations. The Company has either not yet determined whether its mineral properties contain mineral reserves that are economically recoverable or where reserves have been determined, mining operations have not yet commenced. The Company has limited financial resources. Property interests in whom the Company owns are in the exploration stages only, are without and may not result in any discoveries of commercial mineralization, and have no ongoing mining operations. Mineral exploration involves a high degree of risk and few properties, which are explored, are ultimately developed into producing mines, the result being the Company will be forced to look for other exploration projects.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous materials and other matters.

The Company is exposed in varying degrees to a variety of financial instrument related risks.

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 held in bank accounts. As most of the Company's cash is 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.

Foreign Exchange Risk:

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company's functional currency is the Canadian dollar. There is minimal foreign exchange risk to the Company as its mineral property interests are located in Canada.

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's exposure to interest rate risk relates to its

ability to earn interest income on cash balances at variable rates. The fair value of the Company's cash accounts is relatively unaffected by changes in short term interest rates.

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 manages this risk by careful management of its working capital. Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding. The Company has a working capital \$148,377 as at January 31, 2021, and as discussed in Note 1: Going Concern, will require additional funding for ongoing operations and exploration.

Price Risk:

The Company is exposed to price risk in relation to its listed marketable securities held. A 10% change in the market would result in a change of approximately \$305 to comprehensive loss. Management regularly reviews the expected returns from holding such investment on an individual basis.

BELMONT RESOURCES INC.

CORPORATE DATA

Head Office

#615 – 800 West Pender Street
Vancouver, B.C., V6C 2V6
Contact: Gary Musil, CFO
Tel: (604) 683-6648 or
Cell: (604)787-7356 &
Cell: (604) 505-4061

E-Mail: gmusil@belmontresources.com
Website: www.BelmontResources.com

Directors and Officers

George Sookochoff, CEO/President/Director
Gary Musil, Secretary/CFO/Director
James H. Place, Director
Vojtech Agyagos, Director
Laurence Sookochoff, Director

Registrar and Transfer Agent

AST Trust Company (Canada) (formerly CST
Company, Inc.)
#1600 - 1066 W. Hastings Street
Vancouver, B.C. V6E 3X1

Solicitors

Fang & Associates
Suite 1400 – 1125 Howe Street
Vancouver, B.C. V6Z 2K8

Auditors

Dale, Matheson, Carr-Hilton, LaBonte, LLP,
Chartered Professional Accountants
#1500 – 1140 W. Pender Street
Vancouver, B.C. V6E 4G1

Listing

TSX Venture Exchange
Symbol: **BEA**
Frankfurt Stock Exchange
Symbol: **L3L2**