



**Platinex Inc.**  
**Management's Discussion and Analysis**  
**For the Three Months ended March 31, 2021**

# **PLATINEX INC.**

## **Management's Discussion & Analysis**

**For the Three Months Ended March 31, 2021**

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### **General**

The following Management's Discussion and Analysis ("MD&A") of the financial condition and results of the operations of Platinex Inc. (the "Company" or "Platinex") constitutes management's review of the factors that affected the Company's financial and operating performance for the three months ended March 31, 2021. This MD&A was written to comply with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the unaudited condensed interim consolidated financial statements of the Company for the three months ended March 31, 2021, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's unaudited condensed interim consolidated financial statements and the financial information contained in this MD&A, unless otherwise indicated, are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee. Information contained herein is presented as of May 28, 2021, unless otherwise indicated.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of Platinex common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Further information about the Company and its operations can be obtained from the offices of the Company or from [www.sedar.com](http://www.sedar.com).

### **Cautionary Statement on Forward-Looking Statements**

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement. The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

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Forward-looking statements	Assumptions	Risk factors
The Company will be able to continue its business activities.	The Company has anticipated all material costs and the operating activities of the Company, and such costs and activities will be consistent with the Company's current expectations; the Company will be able to obtain equity funding when required.	Unforeseen costs to the Company will arise; ongoing uncertainties relating to the COVID-19 virus; any particular operating cost increase or decrease from the date of the estimation; and capital markets not being favourable for funding resulting in the Company not being able to obtain financing when required or on acceptable terms.
The Company will be able to carry out anticipated business plans.	The operating activities of the Company for the twelve months ending March 31, 2022 will be consistent with the Company's current expectations.	Sufficient funds not being available; increases in costs; ongoing uncertainties relating to the COVID-19 virus; the Company may be unable to retain key personnel.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company's ability to predict or control. Please also make reference to those risk factors referenced in the "Risk Factors" section below. Readers are cautioned that the above chart does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking statements, and that the assumptions underlying such statements may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

### Overview of Company

The Company was incorporated on August 12, 1998 under the laws of the Province of Ontario and trades on the Canadian Securities Exchange under the symbol "PTX". The Company is at the exploration and evaluation stage and is engaged in the acquisition, exploration and development of properties for the mining of precious and base metals. The Company is in the process of exploring its resource properties for mineral resources and has not determined whether the properties contain economically recoverable reserves. Recovery of amounts reported for mineral properties and related deferred expenditures is dependent upon the existence of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to conduct exploration and the ability of the Company to recover value for its properties and/or upon future profitable production.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. Recoverability of the carrying value of exploration properties and the Company's continued existence are dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves and the development and/or sale of such properties at a profit.

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The Company has limited financial resources and negative operating cash flow. Until profitable production can be reached, the Company is dependent on debt or equity financings and/or the sale, lease or farm-out of exploration and evaluation assets to provide the funds necessary for the Company's operating and capital expenditures. Although the Company has been successful in the past in obtaining requisite funding, there can be no assurance that additional funding in amounts and on terms satisfactory to the Company will be available on a timely basis to fund the further exploration and development of its properties, to fulfill its obligations under applicable agreements. Failure to obtain such funding has resulted in delays and could result in the delay or indefinite postponement of further exploration and development of the Company's properties and in the possible dilution or loss of interests in such properties. If the Company raises additional funding through the issue of equity securities, such financings may dilute the holdings of the Company's existing shareholders.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of development of such properties these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, unregistered claims, aboriginal claims, breakdown in law and order, arbitrary and punitive actions of governments and their failure to comply with their own laws and regulations.

In order to sustain its operations, the Company requires additional funds to discharge its liabilities, conduct work programs and meet overhead expenses. The Company continues to seek capital through various means including farm-out / joint venture partnerships and the issuance of equity or debt.

### **Overall Performance and Market Trends**

The Company is in the exploration stage on its various properties and therefore it has no revenues to fund such activities. The Company accesses the public markets to finance exploration activity; the ability to raise additional capital is subject to prevailing market conditions. The properties do not have a defined mineral resource in place whereby the Company can establish a measured asset value. However, based on independent NI 43-101 technical reports, internal summary reports prepared on Company properties and adjacent properties and industry trends, the Company's management believes that further exploration work is warranted.

The Company is considering various strategies to maximize the value of the Shining Tree Gold property (described under Properties). On August 23, 2019, the Company reaffirmed its intention to continue to operate as a mineral exploration issuer under the policies of the Canadian Securities Exchange ("CSE").

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, project permitting, and supply lines;
- Availability of government supplies, such as water and electricity;
- Purchasing power of the Canadian dollar; and
- Ability to obtain funding.

Notwithstanding the above cautionary points the price of gold normally escalates during periods when international, and especially US, money supply is increasing which may be exacerbated at times of crisis such as has been brought on by the COVID-19 pandemic. In the last year the price of gold has increased by over 5%.

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At the date of this 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. Due to recent financing and liquidity in the Company's stock, management believes the business will continue and, accordingly, the current situation has not impacted management's going concern assumption. However, it is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods.

### Corporate Highlights

- On January 28, 2020, and March 3, 2020, the Company completed the second and third closings of a non-brokered private placement, issuing a total of 1,100,000 units for gross proceeds of \$33,000. Each unit consists of one common share of the Company and one warrant of the Company. Each warrant entitles the holder to acquire one additional common share at an exercise price of \$0.075 for a period of 24 months from issuance. All securities issued in connection with this private placement were subject to a four month plus one day hold period from the date of issuance in accordance with applicable securities laws.
- In May 2020, the Company received a government guaranteed loan of \$40,000 to help with operating costs during COVID-19. The loan is interest-free until December 31, 2022. 25% of the loan amount is eligible for forgiveness provided that the Company pays back 75% of the loan on or before December 31, 2022. If the Company does not repay the loan by December 31, 2022, the loan may be converted into a 3-year term loan at an interest rate of 5%.
- On July 15, 2020, the Company completed a non-brokered private placement (the "Private Placement"), issuing a total of 11,843,333 units ("Units") for gross proceeds of \$355,300. Each Unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to acquire one additional common share at an exercise price of \$0.075 for a period of 24 months from the date of issuance.

In connection with the Private Placement, the Company paid Haywood Securities Inc. and Canaccord Genuity Corp. ("Finders") an aggregate of (i) cash fees of \$17,580, equal to 8% of the subscription proceeds realized from subscribers introduced to the Private Placement by such Finders; and (ii) 560,800 finder's warrants, representing 8% of the number of Units purchased by subscribers referred by the Finders. Each finder's warrant entitles the holder to purchase one common share of the Company at a price of \$0.05 for a period of 12 months from the date of issuance.

- On July 24, 2020, the Company granted stock options to purchase 3,175,000 common shares at \$0.085 per share to officers and directors. The options will expire on July, 24, 2025.
- On August 10, 2020, the Company announced a non-brokered private placement up to \$1,000,000 with a lead order from Palisades Goldcorp of \$700,000. The non-brokered private placement shall consist of up to 14,285,715 units at \$0.07 per unit to raise up to \$1,000,000.
- On August 26, 2020, the Company completed this non-brokered private placement, issuing a total of 13,722,000 units for gross proceeds of \$960,540 with a lead order from Palisades Goldcorp. Each unit consists of one common share and one common share purchase warrant of the Company. Each warrant entitles the holder to acquire one additional common share at an exercise price of \$0.10 for a period of 36 months from the date of issuance.

In connection with this private placement, the Company paid Haywood Securities Inc., Canaccord Genuity Corp. and Mackie Research Capital Corporation aggregate cash fees of \$13,282, equal to 6% of the subscription proceeds realized from subscribers introduced to the private placement by the aforementioned brokers.

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- On August 14, 2020, the Company granted stock options to purchase 200,000 common shares at \$0.07 per share to consultants. The options will expire on August 14, 2025.
- On August 14, 2020, Skead Holdings Ltd and Ashley Gold Mines Limited waived the requirement for Platinex to conduct and file \$140,000 of assessment work prior to August 17, 2020.
- On August 17, 2020, the Company announced the appointment of Mr. Graham Warren as Chief Financial Officer and Corporate Secretary of the Company. The Company also granted stock options to purchase 300,000 common shares at \$0.07 per share to a senior officer and consultants. The options will expire on August 17, 2025.
- On September 1, 2020 Treasury exercised 3,000,000 Consideration Warrants for proceeds of \$150,000 As per the terms of the Transaction, Treasury was issued 3,000,000 Secondary Warrants.
- On September 2, 2020, the Company appointed Greg Ferron to the Platinex board as an independent director and Gary Galitsky stepped down. Mr. Ferron will chair the newly formed finance committee and head the Audit Committee.
- On October 8, 2020, the Company granted stock options to purchase 800,000 common shares at \$0.065 per share to consultants. The options will expire on October 8, 2025.
- On December 7, 2020 the Company vested its option in the Skead-Ashley Option which is part of the Shining Tree property.
- On December 31, 2020 the Company completed a non-brokered private placement, issuing a total of 11,430,338 flow-through units ("FT Unit") for gross proceeds of \$857,275 Each FT Unit consists of one flow-through common share of the Company and one half of one common share purchase warrant. Each full warrant is exercisable into a non-flow through common share at an exercise price of \$0.10 for a period of 24 months following the closing of the private placement.

In connection with the private placement, the Company paid an aggregate of (i) cash fees of \$30,660, equal to 6% of the subscription proceeds realized from subscribers introduced by such finders; and (ii) 408,800 finder's warrants, representing 6% of the number of units purchased by subscribers referred by the finders. The Company incurred an additional \$4,474 in share issue costs in connection with the private placement.

- On February 11, 2021 the Company announced the appointment of Christophe Vereecke as a director. Mr. Vereecke is a nominee of Treasury Metals Inc. ("Treasury") as a result of the recent sale of its mining claims, that are located adjacent to the Company's Shining Tree property, to the Company.
- On February 18, 2021, the Company granted stock options to purchase 3,125,000 common shares at \$0.08 per share to a senior officer, directors and consultants. The options will expire on February 18, 2026.
- On March 29, 2021, the Company granted stock options to purchase 600,000 common shares at \$0.07 per share to an advisor and consultant. The options will expire on March 29, 2026.
- On April 19, 2021, the Company granted stock options to purchase 600,000 common shares at \$0.07 per share to consultants. The options will expire on April 19, 2026.
- In January 2021, the Company issued 400,000 common shares on the exercise of warrants for gross proceeds of \$20,000.
- Subsequent to March 31, 2021, the Company issued 444,000 common shares on the exercise of warrants for gross proceeds of \$32,200.

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### Properties

The Company maintains an interest in one very large gold property . The property requires assessment work to keep it in good standing. Work may involve airborne geophysical surveys, ground geological, geophysical, and geochemical surveys with line-cutting and drilling.

The **Shining Tree Gold Property** is described below:

#### a) Property Acquisition and Background

The total area of the property now stands at 21,720 Ha or 53,648 ac.

In 2011, the Company vested an option agreement with Skead Holdings Ltd., with respect to 139 claim units (5,680 acres or 2,299 ha), situated in Churchill, MacMurchy and Asquith Townships in Ontario (the "Shining Tree Property"). The Company now holds a 100% interest in the claims subject to a 3% NSR and advance royalty payments of \$10,000 per year commencing in April 2019.

Platinex may eliminate the requirement for future advance royalty payments by making a one-time advance royalty payment of \$100,000. Two thirds of the 3% NSR may be reduced by staged payments totaling \$1.75 million. If Skead Holdings Ltd wishes to sell the residual royalty interest the Company retains a right of first refusal to purchase the NSR. On May 10, 2012, the Company acquired a lease (40 acres, 16 ha) from Gary John McBride for 200,000 shares of the Company. The lease is central to the Shining Tree property.

Between August , 2016 and December 31, 2020 (as described in detail in Management's Discussion & Analysis For the Year Ended December 31, 2020) Platinex entered into and subsequently vested an option agreement with Skead Holdings Ltd. and Ashley Gold Mines Limited (together "Skead-Ashley") and also purchased and staked claims contiguous with the original Shining Tree Gold Property in Churchill, MacMurchy, Asquith, Connaught, Kelvin, Fawcett, Cabot and Natal Townships in Ontario. The Skead Ashley agreement involves 60 claim units in Churchill, MacMurchy and Asquith Townships which are subject to a 2%NSR.

The property acquisition has encircled the former producing Ronda Gold Mine and includes the southern half of the workings enhancing the Shining Tree Property's exposure to the intersection of a major east-west gold bearing structure, the Ridout-Tyrrell Deformation Zone and a north-south fault.

A NI 43-101 technical report dated June 8, 2018 prepared by Hrayr Agnerian covers the expanded property and was filed on SEDAR.

On March 25, 2019, Platinex Inc. amended its Option Agreement with Skead-Ashley to segment claim L4212960 which is held 50% by Skead-Ashley, from the remainder of the optioned property which is held as to 100% by Skead-Ashley.

Giving consideration to the above changes Platinex held some 860 cells and partial cells comprising 15,229 ha or 37,616 acres.

On July 15, 2020, the Company and Treasury Metals Inc. ("Treasury") entered into an agreement between the two companies (the "Transaction"):

- a) Treasury will transfer a 100% interest in its 280 claim unit 5,045 Ha. (12,466 ac.) Shining Tree Fawcett East property (the "Shining Tree East Property") to Platinex, to create the largest combined gold focused property package in the Shining Tree District, Northern Ontario (the "Shining Tree Property"). The Shining Tree Property is located on 21km of the Ridout-Tyrrell Deformation Zone which also hosts IAMGOLD's Côté Lake gold deposit and Caldas Gold's Jubly deposit;

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- b) Treasury will transfer to Platinex royalties comprising three Ontario and Chile based exploration projects covering gold, PGM's and base metal opportunities (the "Royalties") to enhance Platinex's existing royalty portfolio;
- c) In consideration for acquiring the Shining Tree East Property and the Royalties, Platinex will issue to Treasury 12,500,000 common shares ("Consideration Shares") of Platinex and 5,000,000 non-transferable common share purchase warrants ("Consideration Warrants") of Platinex. Each Consideration Warrant will be exercisable at a price of \$0.05 per share for a period of twenty four months from the date of issuance. Treasury shall not exercise the Consideration Warrants if such exercise would result in Treasury owning 20% or more of the issued and outstanding Platinex Shares. However, Treasury is committed to exercising 3,000,000 of the consideration warrants on or before September 1, 2020;
- d) If Treasury exercises the Consideration Warrants on or before September 1, 2020, it will receive an additional non-transferable common share purchase warrant (a "Secondary Warrant") for each Consideration Warrant exercised. Each Secondary Warrant entitles the holder to purchase one common share of Platinex at a price of \$0.20 per share for a period of 24 months from the date of the closing of the Acquisition. The Secondary Warrants provide that Treasury shall not exercise the Secondary Warrants if such exercise would result in it owning 20% or more of the issued and outstanding common shares of Platinex.
- e) Treasury will contribute operational efficiencies between the two companies with a view to provide effective management going forward to advance the Shining Tree Property;
- f) Treasury will undertake to support Platinex's management for a two-year period in shareholder votes;
- g) Platinex will grant Treasury a first right of refusal to participate in further financings of Platinex shares for a period of two years to maintain its percentage interest; and
- h) Treasury will have the right to appoint a nominee to the board of directors of Platinex.
- i) Giving consideration to the combined property areas and adjustments to area created due to expansion of boundary cells as a result of the new Mining Act in the province the total area of the property now stands at 21,720 Ha or 53,648 ac.

#### **b) Herrick Deposit**

There are 21 known gold prospects on the property which have been explored underground. One such prospect is the Herrick Gold Mine. The Herrick deposit was discovered in 1918 and subsequently was developed by a 94 m shaft with 345 m of lateral development on two veins. In 1989 Unocal Ltd. ("Unocal") evaluated the historic data and, based on that, stated a potential for the system to carry 5,716 tonnes per vertical metre at 7.2 g/t Au over a width of 1.8 m (400 ounces per vertical foot), Unocal carried out diamond drilling of 11 holes for 1,473m and collected 201 channel samples and 35 composite grab samples on the Herrick vein. In 1990 Fort Knox Gold Inc. followed this work with 45 further channel samples and confirmed the presence of gold mineralization over a 385m strike length, obtaining samples grading up to 56.5 g/t Au over 1.0 m.

Between 2009 and 2011, the Company has drilled 51 holes for 6,190m on the Herrick deposit. All except one of the holes returned gold values and the deposit has been tested along a 380m strike length and to 300m depth. It is open in all directions.

Based on recommendations obtained from an independent consultant a modest 16 hole, 1400m drill program could establish an initial small resource on the Herrick deposit as well as testing for possible extensions.

An Inversion study of available Down Hole IP data was recently completed revealing combined E-W chargeability and resistivity anomalies from 100 to 400m depth. This feature is orthogonal to the known deposit.

#### **c) Gold in Glacial Till**



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The Company has been conducting an ongoing till sampling program. Many of the samples contain pristine gold suggesting a nearby bedrock source. The Company views this result as the initial step in locating and identifying one or more major gold deposits

Acquisition of a significant strike extent along the Ridout-Tyrrell Deformation Zone gives Platinex access to a very prospective source for the gold. This deformation zone remains largely underexplored.

Gold is known as the best pathfinder to gold, intuitively providing the most direct path to a significant discovery. Less direct indicators of gold including other geochemical, geophysical and geological expressions are less reliable indicators of gold in the ground. Not all major gold deposits in glaciated terrains provide evidence of their existence through gold dispersion trains. However, gold dispersion trains are always pathfinders to sources of gold in place and major gold dispersion trains are either associated with major gold deposits or multiple spatially concentrated gold deposits. This is the promise of the Shining Tree property.

The Company commenced a property wide till sampling program in 2020. The initial phase of this program collected 38 samples, which were processed for gold-grain content by Overburden Drilling Management (ODM) of Nepean, Ontario, with one sample returning a high value of 207 gold grains, of which 116 grains are pristine and modified. The average grain count in the 38 samples is 21.

In 2021, the second phase of the program collected 73 till samples. The highlights thus far from the second phase of the till sampling program include:

- A high value of 72 gold grains with 43 pristine grains returned from a sample collected from the northern portion of the property near the RTDZ.

This till sample is considered highly prospective since minimal exploration work has been conducted in this area before and its association with the deep-seated RTDZ structure.

Other high counts may also be associated with the intersection of the RTDZ and Michiwakenda Fault in the south-central part of the Property. One sample with 51 total grains and 15 pristine grains is close to and down ice direction from the SE end of the RTDZ.

From all gold in till work on the Shining Tree property and publish data nearby a total of 766 till samples have been collected of which 312 samples have returned counts equal to or greater than 10 grains, 105 samples equal to or greater than 25 grains, and 23 samples equal to or greater than 50 grains. This is an exceptionally successful program which will be continued in 2021 in order to identify gold targets along the Ridout Tyrrell Deformation Zone.

Additional data has been collected from the till program over the years including bedrock sampling at the bottom of the holes, pebble and cobble identification, screening and geochemical analysis of fines and assaying of concentrates produced. Further analysis is now being commenced to use the bedrock samples plus pebble and cobble determination to aid in production of geological maps of the property. Further the geochemical analyses is now to be used to contour trends on the property and further identify priority areas for exploration. This will be supplemented with additional geochemical exploration.

#### **d) Additional Work Commenced in 2020**

The current exploration program will focus on the under-explored 21 kilometres of the Ridout-Tyrrell deformation zone and associated syenite intrusives. This major deformation zone trends as far west as Borden Lake, through the area of IAMGOLD's Cote Gold deposit, directly through the Platinex Shining Tree Property and on to Caldas Gold's gold project which includes the Jubby deposit. A key initial target for Platinex along this trend will be the Caswell prospect which hosts a 700m wide east-west corridor of shear zones and quartz veining. The gold in till work described above which will target gold occurrences along the Ridout-Tyrrell deformation zone is being supplemented by airborne magnetometer data synthesis of existing coverage. The data acquisition phase of the LIDAR survey has been completed and the processing phase will require approximately 3 months. A stripping and channel sampling program on the Caswell prospect was

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conducted in the fall and winter of 2020 with results from 552 channel samples reported recently. A drilling program commenced in April is currently in progress with results to be released commencing in June. This initial part of the drilling is focused on the Caswell east area. However it has recently been shifted to drill IP anomalies.

Sixty seven line Km of line cutting were completed in April to cover the Caswell Churchill, Ronda and Herrick Mine sites. This is being followed up with test lines of IP which will be expanded to broaden coverage of detected anomalies. The first several lines have detected very strong anomalies. One that is believed to coincide with an untested portion of the Ridout Tyrrell Deformation Zone is currently being drill tested.

During 2020 and continuing this year a program was commenced to upgrade technical computing capacity with upgrades to computer platforms and GIS platforms. This is being used to bring data together from diverse and in some cases antiquated software to better communicate with the geotechnical and other persons in the organization. With this advance the Company is close to having completed the compilation of its data.

#### **e) Highlights for the Potential of the Shining Tree Property**

The more salient aspects of the Shining Tree Property's (the "Property") potential include:

1. Mining camp scale property which de-risks chances of exploration failure. Shining Tree is a virtually pristine property from a modern exploration viewpoint sited in the prolific Abitibi greenstone belt which is the most prolific mining belt in the world.
2. Anomalous gold in till results need to be followed up and expanded upon.
3. Presence of a major gold bearing deformation zone (Ridout-Tyrrell Deformation Zone) over a 21 km strike length which has not been a focus of prospecting or exploration in the past.
4. Proximity to a gold porphyry (Cote Gold) which is older than other known gold deposits in the Abitibi, and its provenance and possible repetition are yet to be determined.
5. Presence of many gold prospects and deposits with limited modern exploration.
6. Existence of at least two persistent types of gold association. (gold-arsenic and gold-telluride association). These are signature features prominent in major gold camps such as Kirkland Lake and Red Lake.
7. Continuity of gold mineralization hole to hole as at the Herrick deposit has positive size implications. If the gold grades found in near surface sampling repeats and improves with depth there may be potential to find a deposit like the West Timmins Mine.
8. Proximity along east west structures of two significant scale gold deposits (Cote Gold (more than 10.2 million ounces Au measured and indicated resources) (Source IAMGOLD news release dated February 18, 2020 and the Juby ( 0.773 million ounces of gold in the Indicated Resource category and 1.488 million ounces of gold in the Inferred Resource category (Source Technical report filed by Caldas Gold dated October 5, 2020)).
9. The development of a mill at Cote Gold will bring milling capacity and mining infrastructure closer to Shining Tree and increase the intrinsic value and potential of the Property.
10. The bulk of the property is 100% owned by Platinex with no underlying royalties. A small portion of this is subject to a 3%NSR and \$10,000 annual advance royalty payments. The remaining portion of the Property is subject to an option agreement with favourable terms. Platinex has vested this option agreement.
11. There is a team of prospector-vendors and consulting geologists very knowledgeable about the Property and the belt and who have collaborated to build up this opportunity and remain as a resource.

#### **f) Memorandum of Understanding**

In October 2017, the 2009 exploration agreement with Mattagami and Matachewan First Nations was amended to include the additional claim units to the Shining Tree Property. A revised mineral exploration plan under the New Ontario Mining Act was submitted in 2017 and came into effect in February, 2018. A 3

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year exploration permit was approved in February 2018. Platinex issued 100,000 common shares of the Company to Mattagami First Nation in consideration of assistance they provided in facilitating the permitting process during exploration and the receipt of a written report identifying traditional knowledge and activities in reference to the Shining Tree Property. In March, 2021 the agreements were amended to include additional properties. Exploration Plans and Permits were approved in March 2021 on a portion of the property. This process is to be implemented progressively on the remainder of the property.

For the purpose of this MD&A, James R. Trusler, P.Eng., Chairman and CEO of the Company is the Qualified Person.

#### Summary of Quarterly Information

The following table sets out financial performance highlights for the last eight fiscal quarters.

	31-Mar	20-Dec	20-Sep	20-Jun	20-Mar	19-Dec	19-Sep	19-Jun
	\$	\$	\$	\$	\$	\$	\$	\$
Expenses	386,135	161,701	463,157	98,021	48,733	265,326	92,632	52,082
Net loss	386,135	161,701	463,157	98,021	48,733	265,326	92,632	52,082
Loss per share basic	0.0024	0.0016	0.0036	0.0009	0.0005	0.0027	0.0009	0.0005
Loss per share fully diluted	0.0024	0.0016	0.0036	0.0009	0.0005	0.0027	0.0009	0.0005
<b>Financial Position</b>	<b>31-Mar</b>	<b>20-Dec</b>	<b>20-Sep</b>	<b>20-Jun</b>	<b>20-Mar</b>	<b>19-Dec</b>	<b>19-Sep</b>	<b>19-Jun</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Total assets	2,476,979	2,683,029	2,113,617	114,974	70,905	65,736	181,756	156,233
Total long-term Liabilities	40,000	40,000	40,000	40,000	-	-	-	-
Shareholders' Equity (Deficiency)	2,231,868	2,395,188	1,683,541	(597,730)	(499,709)	(483,976)	(231,650)	(239,018)

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## Results of Operations

### For the three months ended March 31, 2021 compared to the three months ended March 31, 2020

The Company's net loss totaled \$386,135 for the three months ended March 31, 2021, with basic and diluted loss per share of \$0.0024. This compares with a net loss of \$48,733 with basic and diluted loss per share of \$0.0005 for the three months ended March 31, 2020. The increase in the net loss of \$337,402 was primarily attributable to:

- For the three months ended March 31, 2021, the Company ramped up in order to prepare properly for its exploration program, including a drilling plan for Q2 2021. Additional investor relation activities were commenced. In the comparable period in 2020 prior to additional funding being received, all expenditures were considerably lower
- The increase in share-based payments of \$202,815 for the period ended March 31, 2021 when compared to the period ended March 31, 2020. Share-based payments will vary from period to period depending upon the number of options granted and vested during a period and the fair value of the options calculated as at the grant date.

## Liquidity and Capital Resources

At March 31, 2021, the Company had working capital of \$1,045,820 (December 31, 2020 - \$1,261,099) and cash balances of \$1,144,155 (December 31, 2020 - \$1,393,872).

	<b>March 31</b>	<b>December 31</b>
	<b>2021</b>	<b>2020</b>
Cash	\$ 1,045,820	\$ 1,393,872
Other current assets	106,776	115,068
Current liabilities	(205,111)	(247,841)
Working capital (deficiency)	<u>\$ 1,045,820</u>	<u>\$ 1,261,099</u>

Working capital (deficiency) is defined as current assets net of current liabilities, which is a non-GAAP measure. Non-GAAP financial measures do not have any standardized meanings prescribed by IFRS and therefore may not be comparable to similar measures presented by other issuers. However, management believes that it is useful in assessing the Company's liquidity.

The Company has limited financial resources and no source of operating revenue. In the past, it has relied on debt and equity financings to maintain its exploration, environmental permitting, and engineering and development activities and meet its administrative costs. The Company continues to seek capital through various means including the possible joint venturing of a direct interest in its projects and by the issuance of equity and/or debt. If the Company experiences significant delays in obtaining additional funding necessary to fund its ongoing operating and capital requirements, this may have a material adverse impact on the Company's financial condition, business and plan of operations.

The mineral properties in which the Company currently has an interest are in the exploration stages and, consequently, the Company has no current source of operating revenue and is dependent on external

## PLATINEX INC.

### Management's Discussion & Analysis For the Three Months Ended March 31, 2021

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financing to fund continued exploration and development of its mineral properties. Historically, the Company's principal sources of funding have been the issuance of equity securities for cash.

The challenging financial markets currently faced by companies in the junior mining sector generally, have had a significant adverse effect on the Company's share price and on its ability to raise additional funds through equity financings on a timely basis. The Company has taken steps to conserve cash pending completion of additional financings.

#### Transactions with Related Parties

Related parties include the Board of Directors and other key management personnel, close family members and enterprises that are controlled by these individuals. Related party transactions are conducted in the normal course of operations and are measured at the exchange value (the value amount established and agreed to by the related parties).

The following summarizes the Company's related party transactions for the periods:

	Three Months Ended March 31,	
	2021	2020
Rent paid	\$ 1,500	\$ 1,500

Key management personnel is defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company. The Company's key management personnel include the Chief Executive Officer, the Chief Financial Officer and the Corporate Secretary.

Remuneration of key management personnel of the Company for the periods are presented below:

	Three Months Ended March 31,	
	2021	2020
Management and directors fees	\$ 22,750	\$ 20,250
Professional fees	18,000	9,661
Consulting fees	22,500	-
Share based compensation	115,700	-
	\$ 178,950	\$ 29,911

As at March 31, 2021, related parties were owed \$2,747 (December 31, 2020 - \$9,597) recorded in accounts payable and accrued liabilities.

#### Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

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**Proposed Transactions**

There are no material decisions by the Board of Directors of the Company with respect to any imminent or proposed transactions that have not been disclosed.

**Financial Instruments and Risk Factors**

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

**Commitments and Contingencies**

*Environmental*

The Company's exploration and evaluation activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

*Flow-through commitments*

The Company is obligated to spend \$793,275 by December 31, 2021. The flow-through agreements require the Company to renounce certain tax deductions for Canadian exploration expenditures incurred on the Company's mineral properties to flow-through participants. The Company indemnified the subscribers for certain tax-related amounts that may become payable by the subscribers as a result of the Company not meeting its expenditure commitments.

**New Accounting Policies**

*IAS 1, Presentation of Financial Statements ("IAS 1")*

Amendments to IAS 1, issued in October 2018, provide clarification on the definition of material and how it should be applied. The amendments also align the definition of material across IFRS and other publications. The amendments became effective for annual periods beginning on or after January 1, 2020 and were required to be applied prospectively. The adoption of the amendments had no impact on the Company's consolidated financial statements.

*IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8")*

Amendments to IAS 8, issued in October 2018, provide clarification on the definition of material and how it should be applied. The amendments also align the definition of material across IFRS and other publications. The amendments became effective for annual periods beginning on or after January 1, 2020 and were required to be applied prospectively. The adoption of the amendments had no impact on the Company's consolidated financial statements.

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### Management's Discussion & Analysis For the Three Months Ended March 31, 2021

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#### Additional Disclosure for Venture Issuers without Significant Revenue

The exploration costs relating to the Company's interests in mineral properties for the quarters ended March 31, 2021 and 2020 are listed below:.

	Jan - Mar 21	Jan - Mar 20
Accommodation & Meals	709	0
Car Mileage	1,782	0
Core Sampling, Logging	6,858	0
Core Storage Rental	0	0
Field Work	8,637	0
Filings and Assessments	0	0
First Nations Relations	0	0
Geophysical Survey	12,097	0
Map Generation	10,905	0
Option Payments	-12,500	0
Staking Fees	2,150	0
Telecommunications	0	0
Equipment Rental	1,300	0
Geological	9,825	0
Assaying & Geo-Chem Analysis	8,651	0
Supplies & Serv.	1,683	0
<b>Total</b>	<b>52,096</b>	<b>0</b>

#### Disclosure of Outstanding Share Data

The number of common shares of the Company outstanding and the number of common shares issuable pursuant to other outstanding securities of Platinex as at May 28, 2021 are as follows:

Securities	As at May 28 2021
Common shares outstanding	156,654,598
Issuable under options	14,200,000
Issuable under warrants	62,110,934
<b>Total securities</b>	<b>232,965,532</b>

# **PLATINEX INC.**

## **Management's Discussion & Analysis**

**For the Three Months Ended March 31, 2021**

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### **Disclosure of Internal Controls**

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence to ensure that (i) the consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the consolidated financial statements, and (ii) the consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flow of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

(i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

(ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements for external purposes in accordance with the issuer's GAAP (IFRS).

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in the certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

### **Risk Factors**

The Company's financial condition, results of operation and business are subject to certain risks, which may negatively affect them. A detailed discussion of these risks can be found on pages 18 to 23 of our Annual MD&A for the financial period ended December 31, 2020 under "Risk Factors" (available on SEDAR at [www.sedar.com](http://www.sedar.com)) and elsewhere in this MD&A, including under "Cautionary Note Regarding Forward-Looking Information".

### **Additional Information**

Additional information regarding the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com).