



Harfang Exploration Inc.

Management's Discussion and Analysis.
Quarterly Highlights

Nine months ended October 31, 2020

Harfang Exploration Inc.

Management's Discussion & Analysis – Quarterly Highlights

Nine months ended October 31, 2020

The following quarterly highlights management's discussion and analysis (the "MD&A Highlights") of the financial condition and results of the operations of Harfang Exploration Inc. (the "Corporation") constitutes management's review of the factors that affected the Corporation's financial and operating performance for Q3-21.

The MD&A Highlights should be read in conjunction with the Corporation's unaudited condensed interim financial statements for the nine months ended October 31, 2020 prepared in accordance with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") as well as with the management discussion and analysis for the year ended January 31, 2020. All figures are in Canadian dollars unless otherwise noted.

Further information regarding the Corporation and its operations are filed electronically on the System for Electronic Document Analysis and Retrieval (SEDAR) in Canada and can be found on www.sedar.com. The following abbreviations are used to describe the periods under review throughout this MD&A:

| Abbreviation | Period |
|--------------|--------------------------------------|
| Q1-20 | February 1, 2019 to April 30, 2019 |
| Q2-20 | May 1, 2019 to July 31, 2019 |
| Q3-20 | August 1, 2019 to October 31, 2019 |
| Q3-20 YTD | February 1, 2019 to October 31, 2019 |
| Q4-20 | November 1, 2019 to January 31, 2020 |
| Fiscal 20 | February 1, 2019 to January 31, 2020 |
| Q1-21 | February 1, 2020 to April 30, 2020 |
| Q2-21 | May 1, 2020 to July 31, 2020 |
| Q3-21 | August 1, 2020 to October 31, 2020 |
| Q3-21 YTD | February 1, 2020 to October 31, 2020 |
| Q4-21 | November 1, 2020 to January 31, 2021 |
| Fiscal 21 | February 1, 2020 to January 31, 2021 |

1. NATURE OF ACTIVITIES

The Corporation was incorporated on March 30, 2010 under the *Business Corporations Act* (British Columbia) and on June 22, 2017, in conjunction with a reverse takeover, continued under the *Business Corporations Act* (Québec). The Corporation's shares are listed on the TSX Venture Exchange (the "Exchange") under symbol HAR. The Corporation's head office is located at 1100, avenue des Canadiens-de-Montréal, Suite 300, Montréal, Québec, Canada.

The Corporation, an exploration and evaluation stage company, is in the business of acquiring and exploring mineral properties in Canada. Its focus is currently on the exploration and evaluation of its mineral properties in the James Bay area in the Province of Québec for precious metals.

2. CORPORATE UPDATE

2.1 Financial Highlights

On September 6, 2020, the Corporation signed an agreement for the sale (the "Transaction") of 100% of its right, title and interest in and to the Kali Project to QcX Gold Corp. ("QcX Gold"). In order to complete the Transaction and in accordance with the terms of the agreement, QcX Gold issued on September 21, 2020 to the Corporation an aggregate of 1,750,000 common shares valued at \$630,000 as per the Exchange price on this day generating a gain on disposal of exploration and evaluation assets of \$599,982, and granted in favour of the Corporation a 2.5% net smelter returns royalty (the "NSR Royalty"), with no buyback option, in respect of the Kali Project.

Harfang Exploration Inc.

Management's Discussion & Analysis – Quarterly Highlights

Nine months ended October 31, 2020

2. CORPORATE UPDATE (CONT'D)

On June 22, 2020, the Corporation closed a non-brokered private placement consisting of 5,604,000 units at a price of \$0.25 per unit and of 3,140,000 flow-through common shares at a price of \$0.35 per flow-through common share for an aggregate gross proceeds of \$2,500,000. Each unit was comprised one common share and one half of one common share purchase warrant, with each warrant being exercisable into one additional common share for 24 months from the closing date of the private placement at an exercise price of \$0.40 per common share. Share issue expenses, including the finder's fees of \$55,807, totalled \$95,353. Certain officers and directors of the Corporation purchased an aggregate of 80,000 units for \$20,000 and an aggregate of 107,357 flow-through shares for \$37,575.

On December 9, 2020, the Corporation closed a private placement consisting of 9,208,142 units at a price of \$0.35 per unit and of 2,031,000 flow-through common shares at a price of \$0.50 per flow-through common share for an aggregate gross proceeds of \$4,238,350. Each unit was comprised one common share and one half of one common share purchase warrant, with each warrant being exercisable into one additional common share for 24 months from the closing date of the private placement at an exercise price of \$0.55 per common share. Finder's fees of \$110,920 were paid. Certain officers and directors of the Corporation purchased an aggregate of 45,000 units for \$15,750 and an aggregate of 160,000 flow-through shares for \$80,000.

The Corporation has working capital of \$3,358,798 as at October 31, 2020, (\$2,714,848 as at January 31, 2020). From this working capital, the Corporation has to dedicate \$584,521 to Canadian mining properties exploration, pursuant to the term of the June 22, 2020 flow-through financing. The Corporation is constantly seeking financing or business opportunities.

The Corporation reported a net loss of \$1,244,161 in Q3-21 YTD (\$972,187 in Q3-20 YTD). The main variations are as follow:

- Exploration and evaluation expenditures, net of tax credits \$1,195,217 (\$847,426 in Q3-20 YTD) (see section on exploration and evaluation activities for details of exploration and evaluation expenditures).
- Stock-based compensation for \$65,717 (\$59,934 in Q3-20 YTD). On May 22, 2020, a total of 337,500 stock options (225 000 in Q3-20 YTD) were granted and their fair value was estimated at \$64,800 (\$51,975 in Q3-20 YTD). The options vested 100% at the grant date.
- Consulting and professional fees for \$123,137, office and administrative for \$62,720, travel, conference and investor relations for \$164,910 and filing fees for \$36,691, for an aggregate of \$387,458 (\$235,025 in Q3-20 YTD). There was a slight decrease of consulting and professional fees specifically for human resources and accounting fees caused by a decrease in corporate activities. There was an increase of office and administrative costs explained by the increase in office rental costs and membership fees. There was also an increase of travel, conference and investor relations expenses resulting by a contract signed with a new consultant in Q4-20. And finally, there was an increase in filing fees given the costs of a contract for managing warrants.
- Gain on disposal of exploration and evaluation assets for \$599,982 (nil in Q3-20 YTD). On September 21, 2020, the Corporation received QcX Gold shares for the sale of the Kali Project for a non-cash consideration valued at \$630,000.
- An unfavorable change in fair value of listed shares (non-cash) of \$376,250 (nil in Q3-20 YTD) was recorded on the QcX Gold shares received as part of the sale of the Kali Project.
- Deferred income taxes recovery for \$299,825 (\$230,693 in Q3-20 YTD). This recovery consists mainly in the amortization, in proportion of the exploration work completed, of the premium related to flow-through shares renunciations following the March 20, 2019, December 16, 2019 and June 22, 2020 private placements.

The Corporation reported a net loss of \$404,490 in Q3-21 (\$385,327 in Q3-20). The explanations for the main variations are the same as the Q3-20 YTD above.

Harfang Exploration Inc.

Management's Discussion & Analysis – Quarterly Highlights

Nine months ended October 31, 2020

2. CORPORATE UPDATE (CONT'D)

On May 20, 2020, the Board of Directors of the Corporation has decided to extend until July 12, 2022 the expiry date of the 1,282,500 warrants issued in connection with a private placement closed on July 12, 2018. The total cost of the warrant extension is \$64,125 which has been recorded under warrants and the offsetting entry is recorded in the deficit. Warrants extension expenses totaled \$1,290.

During the Q1-21, an outbreak of a new strain of coronavirus (COVID-19) resulted in a major global health crisis which continues to have impacts on the global economy and the financial markets. The Corporation has taken and will continue to take action to minimize the impact of the virus on its operations; however, there can be no certainty that it will not cause significant changes on the ability to complete planned exploration and evaluation activities, meet its obligations according to the terms of the flow-through financings or our ability to obtain debt and equity financing. It is impossible to determine the ultimate financial implications of these events at the current time.

3. EXPLORATION ACTIVITIES

| | Q3-21 | Q3-20 | Q3-21 YTD | Q3-20 YTD |
|------------------------------|---------|---------|-----------|-----------|
| | \$ | \$ | \$ | \$ |
| Lake Ménarik | | | | |
| Salaries and benefits | - | 429 | 9,437 | 6,811 |
| Geology | 1,516 | 266 | 3,922 | 3,403 |
| Analysis | - | 2,592 | - | 2,698 |
| Transportation | - | - | 356 | 343 |
| Lodging and food | - | 180 | 46 | 245 |
| Supplies and equipment | - | - | - | 28 |
| | 1,516 | 3,467 | 13,761 | 13,528 |
| Ménarik East | | | | |
| Salaries and benefits | - | - | 3,700 | 247 |
| | - | - | 3,700 | 247 |
| Serpent | | | | |
| Salaries and benefits | 169,717 | 57,475 | 338,702 | 180,085 |
| Geology | 307,736 | 141,147 | 477,832 | 218,338 |
| Analysis | 21,558 | 13,153 | 48,683 | 18,349 |
| Transportation | 6,489 | 3,948 | 11,328 | 61,920 |
| Geophysics | 59,445 | - | 183,530 | 85,000 |
| Lodging and food | 15,911 | 4,398 | 36,757 | 26,779 |
| Supplies and equipment | 5,333 | 2,182 | 21,666 | 30,356 |
| Taxes, permits and insurance | - | 24 | 870 | 24 |
| | 586,189 | 222,327 | 1,119,368 | 620,851 |
| Lake Fagnant | | | | |
| Salaries and benefits | - | 1,994 | - | 4,095 |
| Geology | - | 674 | 1,024 | 952 |
| Recharge to partner | - | (1,601) | (614) | (3,028) |
| | - | 1,067 | 410 | 2,019 |
| Lake Aulneau | | | | |
| Salaries and benefits | - | 365 | - | 729 |
| Geology | 160 | 640 | 520 | 640 |
| Geophysics | - | 11,175 | - | 11,175 |
| | 160 | 12,180 | 520 | 12,544 |

Harfang Exploration Inc.

Management's Discussion & Analysis – Quarterly Highlights

Nine months ended October 31, 2020

3. EXPLORATION ACTIVITIES (CONT'D)

| | Q3-21 | Q3-20 | Q3-21 YTD | Q3-20 YTD |
|------------------------------|----------------|----------------|------------------|----------------|
| | \$ | \$ | \$ | \$ |
| Lake Tapiatic | | | | |
| Salaries and benefits | - | 24,634 | - | 44,568 |
| Geology | - | 26,175 | - | 40,283 |
| Analysis | - | 15,282 | - | 15,282 |
| Transportation | - | 2,149 | - | 3,295 |
| Lodging and food | - | 913 | - | 4,794 |
| Supplies and equipment | - | 970 | - | 4,568 |
| | - | 70,123 | - | 112,790 |
| Kali | | | | |
| Salaries and benefits | - | - | 4,299 | - |
| Geology | 250 | - | 1,859 | - |
| | 250 | - | 6,158 | - |
| Bonfait | | | | |
| Salaries and benefits | 1,970 | - | 2,823 | - |
| Geology | 3,547 | - | 4,203 | - |
| | 5,517 | - | 7,026 | - |
| La Passe | | | | |
| Salaries and benefits | - | - | 416 | - |
| | - | - | 416 | - |
| Generation | | | | |
| Salaries and benefits | 7,797 | 30,264 | 16,701 | 44,947 |
| Geology | 26,609 | 56,473 | 27,157 | 58,459 |
| Analysis | - | 14,352 | - | 14,352 |
| Transportation | - | 643 | - | 1,081 |
| Lodging and food | - | 1,478 | - | 1,478 |
| Supplies and equipment | - | 18 | - | 18 |
| | 34,406 | 103,228 | 43,858 | 120,335 |
| Total | | | | |
| Salaries and benefits | 179,484 | 115,161 | 376,078 | 281,482 |
| Geology | 339,818 | 225,375 | 516,517 | 322,075 |
| Analysis | 21,558 | 45,379 | 48,683 | 50,681 |
| Transportation | 6,489 | 6,740 | 11,684 | 66,639 |
| Geophysics | 59,445 | 11,175 | 183,530 | 96,175 |
| Lodging and food | 15,911 | 6,969 | 36,803 | 33,296 |
| Supplies and equipment | 5,333 | 3,170 | 21,666 | 34,970 |
| Taxes, permits and insurance | - | 24 | 870 | 24 |
| Recharge to partner | - | (1,601) | (614) | (3,028) |
| | 628,038 | 412,392 | 1,195,217 | 882,314 |

Mr. François Goulet, M.Sc. P.Geo, President and Chief Executive Officer of the Corporation, a qualified person as defined by National Instrument 43-101 has verified the technical content in this section.

Below is a summary of the significant properties in which the Corporation has an interest.

3.1 Lake Ménarik Property

Property Description

As at October 31, 2020, the Corporation owns a 100% interest on 110 claims totalling 5,653 ha in NTS Sheet 33F06. The property is located 45 km south of Radisson and 7 km northeast of the junction between the Transtaiga Road and the Billy-Diamond Road (formerly the James Bay Road). Most claims of the Lake Ménarik Property are subject to a 2% net smelter return royalty which Osisko Gold Royalties Ltd ("Osisko") is retaining.

Harfang Exploration Inc.

Management's Discussion & Analysis – Quarterly Highlights

Nine months ended October 31, 2020

3. EXPLORATION ACTIVITIES (CONT'D)

The property, contiguous to the Ménarik East Property, is known for its gold potential related to monzonite-associated and orogenic mineralization styles hosted in an Archean greenstone belt of the La Grande Subprovince. High-grade gold occurrences are abundant in the main monzonitic intrusion and adjacent volcano-sedimentary rocks, particularly associated with quartz veins and structural lineaments.

Exploration work on the property

During Q1-21, the Corporation submitted a technical geological report concerning exploration conducted on the property in 2018 as statutory work to the *Ministère de l'Énergie et des Ressources Naturelles du Québec* ("MERN"). The geological reassessment done during Q1-21 lead to the elaboration of drill targets and additional prospecting opportunities. The Corporation is currently looking for a partner to develop and advance the project considered to be at the drilling stage. A new exploration program is ready to be deployed assuming further partnership.

3.2 Ménarik East Property

Property Description

As at October 31, 2020, the Corporation owns a 100% interest on 64 claims covering 3,289 ha in NTS Sheet 33F06. This property, contiguous to the Lake Ménarik Property, is located 48 km southeast of Radisson. It is known for its chromium, platinum, palladium, nickel and copper potential hosted in an ultramafic-mafic complex and its gold potential associated with structural lineaments. These lithologies are part of the La Grande Subprovince.

The Ménarik East Property exposes an ultramafic-mafic complex containing historical mineral resources in chromium, platinum, palladium, nickel and copper. These historical resources include 6.34 Mt @ 7.73% Cr₂O₃, 398 ppb Pd and 105 ppb Pt and 1.06 Mt @ 0.38% Ni and 0.15% Cu. These estimates do not refer to any category of mineral resources or mineral reserves of the NI-43-101 such as stated in the 2014 CIM Definition Standards on Mineral Resources and Mineral Reserves. These estimates are treated as historical information and have not been verified by the Corporation. The Corporation is not treating these historical estimates as current mineral resources. Several gold and polymetallic showings are located at the periphery of the complex, more specifically in close association with arsenopyrite and quartz-rich shear zones at the contact between felsic intrusions and gabbroic dykes.

Exploration work on the property

The Corporation is currently looking for a partner to develop and advance the project. A new exploration program, including targeted prospecting and drilling, is ready to be deployed assuming further partnership.

3.3 Serpent Property

Property Description

As at October 31, 2020, the Corporation owns 552 mining claims covering 28,312 ha referred to as the Serpent Property. The property is located in NTS sheets 33F02 and 33F03, 90 km SSE of Radisson and is adjacent to the Billy-Diamond Road. Its eastern limit is contiguous to the Sakami gold project (Quebec Precious Metals Corporation ("QPM")). All of these claims were staked by map designation and are 100%-owned by the Corporation. The Serpent Property is known for its Au (more than 35 showings) and Cu-Au-Ag (Mista) potential hosted in an underexplored part of the Archean intrusive basement of the La Grande Subprovince. Gold occurrences are mainly associated with shear zones and quartz veins either hosted in a large differentiated mafic intrusion (peridotite to diorite) or at the contacts between foliated/gneissic tonalite and gabbroic dykes. The Mista prospect, mapped over at least 350 m laterally, corresponds to a sulfide-bearing quartz-rich arenite injected by quartz veins.

Harfang Exploration Inc.

Management's Discussion & Analysis – Quarterly Highlights

Nine months ended October 31, 2020

3. EXPLORATION ACTIVITIES (CONT'D)

Exploration work on the property

During Q1-21, the Corporation mandated TMC Geophysics Ltd. ("TMC") to conduct an induced polarization survey in two specific areas on the property. The first phase of the survey, completed in March 2020, included a total of 19.7 linear km covering the Mista prospect and its surroundings. Due to the COVID-19 situation, the Corporation and TMC postponed the second part of the survey which was planned over the large gold-in-till anomaly (>4 km²) in the southwestern part of the property.

On May 12, 2020, the Corporation published a press release disclosing results from the induced polarization survey completed in the Mista area and gave more details on the gold-in-till anomaly discovered in 2019. The geophysical survey successfully detected a more than 800 m long chargeability axis superposed to the Mista Cu-Au-Ag prospect (0.99% Cu, 0.20 g/t Au and 7.7 g/t Ag over 11.7 m in trenching). That prospect refers to a sulfide-bearing quartz-rich arenite injected by quartz veins already traced at surface over 350 m in length by the Corporation's team. The chargeability axis suggests the continuation of the mineralization underneath soil and vegetation toward the west.

The gold-in-till anomaly was initially defined by a cluster of 9 till samples containing between 26 and 324 gold grains. Gold analytical results of the non-magnetic Heavy Mineral Concentrate ("HMC") of these tills returned very significant values including many samples grading from 1 to >30 g/t Au.

Summer fieldwork operations on the project began on June 1, 2020 and ended on August 27, 2020. The Corporation's field crew mainly prospected the area covered by the gold-in-till anomaly which is located in a portion of the property which was yet unexplored. In the first part of the summer, TMC resumed the second half of the IP survey which was halted in March 2020. That survey covered the eastern part of the gold-in-till anomaly for a total of 33.9 linear km. In August 2020, Nord-Fort Inc. was mandated to proceed to mechanical stripping of some of the gold showings and IP anomalies. Eighteen trenches and 4 test pits were realized using a mini-excavator moved by a helicopter.

Fieldwork resumed on September 14, 2020 and ended on October 14, 2020. Main objectives of the fall program were to do a follow-up on analytical results obtained during summer, complete a soil survey, add till samples in specific areas over the gold-in-till anomaly, and continue trenching with a mini-excavator moved by a helicopter. Laurentia Exploration was contracted for the trenching operations during fall.

On September 22, 2020, the Corporation published a press release disclosing results from the mechanical trenching and prospecting summer program. Highlights include the discovery of more than 20 gold showings (1.00 g/t to 222.58 g/t Au), recognition of three major gold-bearing shear zones associated with quartz veins (Moby-Dick: 7.78 g/t Au over 6.15 m, including 24.06 g/t Au over 1.80 m and 2.00 g/t Au over 2.25 m; Ana: Up to 23.14 g/t Au; Sasquatch: Up to 1.20 g/t Au). Some results are still pending for channel samples.

The Corporation published a press release on October 20, 2020 reporting that the gold-in-till anomaly doubled in size following partial results obtained from the summer till survey, suggesting an extensive gold system on the property. New results include 50 samples with 20 gold grains or more among which 3 contain more than 100 gold grains (432, 308, 141), and 5 HMC above 5 g/t Au (16.90, 14.50, 10.20, 9.52, 6.44 g/t Au). The gold-in-till anomaly is now defined by 59 samples with 20 gold grains or more and 25 HMC with ≥1 g/t Au scattered over more than 8 km². The high HMC and gold grain counts values are located at the proximity and down-ice of major structures and near newly-discovered gold showings. More till results are pending.

Most of the gold occurrences discovered in 2020 are located inside the gold-in-till anomaly and are commonly spatially associated with extensive structural corridors made up of quartz veins hosted in sheared gabbro and diorite. The structural corridors reach up to 10 m in thickness and have been mapped over at least 350 m (e.g. Moby-Dick). Other gold occurrences were found in sheared pyrite-bearing gabbro and smaller quartz veins which graded up to 222.58 g/t Au.

Harfang Exploration Inc.

Management's Discussion & Analysis – Quarterly Highlights

Nine months ended October 31, 2020

3. EXPLORATION ACTIVITIES (CONT'D)

The Corporation considers that a series of important East-West deformation zones (called the “Stu Structure”) and ENE-WSW secondary structures affecting the geological units in the gold-in-till anomaly area represent the first priority target for additional exploration.

The extensive gold-bearing shear zones discovered in 2020 contrast with those previously mapped in the eastern part of the property which were limited to sub-metric widths.

During Q3-21, the Corporation mandated Prospectair Geosurveys Inc. to realize a highly-detailed airborne magnetic survey in the most prospective part of the property. A total of 1,232 linear km were flown along lines spaced 50 m apart in early September 2020.

Over the entire 2020 fieldwork, the crew described 1,366 outcrops and boulders, and collected 1,215 grab and 571 channel samples. A total of 113 till and 611 soil samples were also collected. The large majority of rock samples were sent to Lab Expert (Rouyn-Noranda, Québec) with a few specimens sent to ALS Minerals (Val-d'Or, Québec). Till samples were sent to ODM (Nepean, Ontario) where they were processed for the preparation of the HMC and gold grain counts. The HMC fractions were sent to Actlabs (Ancaster, Ontario) for chemical analyses. Soil samples are being analysed by ALS Minerals (Sudbury, Ontario). Results from all samples collected during fall are pending. The Corporation expects to publish the most significant results in a press release as soon as they are available.

During Q4-21, the Corporation is compiling all geological data collected during the last field operations and is also planning the upcoming winter program which will include an induced polarization survey (and grid cutting) and the first-ever drill campaign on the property. During that period, the Corporation submitted three technical reports as statutory work to the MERN. The first two reports concern the induced polarization survey completed by TMC Geophysics / Dynamic Discovery Geoscience over Mista and the gold-in-till anomaly. The third one refers to the high-resolution heliborne magnetic survey by Prospectair Geosurveys / Dynamic Discovery Geoscience.

Since the beginning of actual pandemic, the Corporation's employees and its contractors operate under a COVID-19 management and mitigation plan. The Corporation ensures the health and safety of all individuals involved on the project. To date, our workforce remains healthy and free of symptoms of the virus.

Prior to the all field interventions, letters are sent to specific members of the Wemindji Cree community (Chief, Local Fur Administrator, Tallymen) to inform them about the Corporation's activities. Also, due to the COVID-19 issue, a document entitled “Management Plan and Precautional Measures” was sent to the Cree Nation Government and the Cree Mineral Exploration Board. The Corporation held a web conference with the band council of Wemindji on November 25, 2020 to inform them about our past and future activities on the project.

3.4 Lake Fagnant Property (joint venture)

Property Description

As at October 31, 2020, the Lake Fagnant Property is an aggregate of 68 mining claims totaling 3,352 ha located in NTS sheets 33N02 and 33N03. These claims were staked by map designation by the Corporation, Kenorland Minerals Ltd. (“Kenorland”) and UrbanGold Minerals Inc. (“UrbanGold”). The property is located 55 km east of Whapmagoostui/Kuujuarapik (Nunavik) and 155 km north of Radisson (James Bay). It covers the northwestern portion of the Archean Great Whale greenstone belt in the Minto Subprovince of the Superior Province. The property is known for its gold potential associated with structural corridors.

Harfang Exploration Inc.

Management's Discussion & Analysis – Quarterly Highlights

Nine months ended October 31, 2020

3. EXPLORATION ACTIVITIES (CONT'D)

There are five mining claims subjected to a 1% net smelter return royalty (NSR) shared between Geotest Corporation (0.5%) and Wayne Holmstead (0.5%). Under the joint venture agreement, the initial respective participating interests of the participants are as follows: 40% for the Corporation, 40% for Kenorland and 20% for UrbanGold. The operator of the joint venture will be the Corporation for as long as its participating interest is equal to or greater than the others participants'. If the Corporation's or Kenorland's interest is diluted to less than 10%, it will be converted into a 1% NSR royalty on the Lake Fagnant Property. The operator will have the right to buy-back half of this royalty (0.5% NSR) for \$500,000 or, under certain circumstances, the aggregate royalty (1% NSR) for \$1,000,000. If UrbanGold's participating interest is diluted to less than 10%, then UrbanGold interest will be converted to a 0.5% NSR royalty on the Initial Claims. The operator will have the right to buy-back half of the NSR royalty (0.25% NSR) for \$250,000 or, under certain circumstances, the aggregate royalty (0.5% NSR) for \$500,000. As at October 31, 2020, the participating interests of the participants have not changed.

Exploration work on the property

The Corporation has not done any fieldwork on the Lake Fagnant Property during Q3-21 YTD and is not planning fieldwork on the property during Fiscal 21. The Corporation, Kenorland and UrbanGold are looking for an additional partner to undertake exploration on the property.

3.5 Lake Aulneau Property

Property Description

As at October 31, 2020, the Lake Aulneau Property is composed of 143 mining claims totaling 6,720 ha located in NTS sheets 24C15, 24C16 and 24F02 (Nunavik). All of these claims, 100%-owned by the Corporation and staked by map designation, cover rocks belonging to the Labrador Through. The property is located 125 km south of Kuujuaq and 265 km north of Schefferville. It is known for its copper, nickel, platinum and palladium potential hosted in mafic intrusions.

The property encompasses seven copper, nickel, platinum and palladium prospects and showings, namely Marymac I and II, Lepage, Island, Redcliff, Float, and Nine South. Historical resources were calculated from diamond drillholes completed in the 1970's and 1980's and published in previous exploration reports for four of the previously mentioned mineralized occurrences. They include 1,088,000 Mt @ 2.02% Cu, 0.45% Ni, 1.0 g/t Pt and 3.1 g/t Pd for the Lepage and Island zones combined, 1,068,000 Mt @ 2.09% Cu and 0.51% Ni for the Redcliff prospect, 930,000 Mt @ 1.60% Cu and 0.43% Ni for Marymac II, and 133,000 Mt @ 2.10% Cu and 0.43% Ni for the Float prospect. These estimates do not refer to any category of mineral resources or mineral reserves of the NI-43-101 such as stated in the 2014 CIM Definition Standards on Mineral Resources and Mineral Reserves. These estimates are treated as historical information and have not been verified by the Corporation. The Corporation is not treating these historical estimates as current mineral resources. Anomalous gold and silver values are locally associated with Cu-Ni-Pt-Pd occurrences.

Exploration work on the property

The Corporation has not done any fieldwork on the Lake Aulneau Property during Q3-21 YTD and is not planning any additional work on the property during Fiscal 21. The Corporation is currently looking for a partner to develop and advance the project.

Harfang Exploration Inc.

Management's Discussion & Analysis – Quarterly Highlights

Nine months ended October 31, 2020

3. EXPLORATION ACTIVITIES (CONT'D)

3.6 Lake Tapiatic Property

Property Description

As at October 31, 2020, the Lake Tapiatic Property is composed of 146 mining claims totaling 7,430 ha located in NTS sheets 33G12 and 33G13. All of these claims are 100%-owned by the Corporation. The property is located in the James Bay area, approximately 110 km east of the Radisson locality and just 2 km north of the La Grande-3 hydroelectric power plant. It is easily accessible all-year round by ground transportation. This property is considered as prospective for gold and copper mineralizations.

Dominant lithologies include highly folded wacke, paragneiss, iron formation and basalt forming one of the largest Archean volcano-sedimentary basins near the contact between the La Grande and Opinaca subprovinces. Three strong copper anomalies (>112 ppm Cu; >99.8 percentiles) in lake-bottom sediments were obtained in 1973 and 1974 surveys in the southern part of the property. No precious and/or base metal showing was known inside the limits of the property prior to the Corporation's field operations in 2019. Historical exploration was minimal and apparently guided towards the iron potential of the numerous oxide-facies iron formations found inside and outside the property. The Corporation's fieldwork led to the discovery of three copper showings grading 1.09, 2.88 and 3.60% Cu (grab samples). Channel sampling returned 0.61% Cu over 5 m, 0.41% Cu over 8 m and 0.26% Cu over 5 m on three channels 50 m apart in highly-deformed basaltic rocks. A few quartz veins located 1-2 km NNE of these channels returned anomalous copper contents (0.12 – 0.69% Cu). Gold in these veins reached up to 0.31 g/t.

Exploration work on the property

The Corporation has not done any fieldwork on the Lake Tapiatic Property during Q3-21 YTD and is not planning any additional work on the property during Fiscal 21.

3.7 Selling of the Kali Property

Property Description

As at October 31, 2020, the Corporation retains only one mining claim that was part of its former Kali Property which was composed of 194 mining claims totaling 10,180 ha. This group of claims was separated into two blocks and two isolated claims which were 100%-owned by the Corporation. These claims were located in the James Bay area, 280 km north of Matagami. The western block of claims was located 20 km east of Eastmain's Cree Community and was accessible by air transportation or by boat along the Eastmain River. It was located 15 km southwest of Azimut's Patwon prospect. The eastern block was located immediately west of the Billy-Diamond paved road and was easily accessible by ground transportation (ATV trail) or by boat along the Eastmain River. The property is considered highly prospective for gold mineralization.

In a press release published on September, 9, 2020, the Corporation announced the sale of the Kali Project to QcX Gold. The transaction includes 193 mining claims covering approximately 10,127 hectares. One isolated claim was not included into the transaction. The transaction was being carried out pursuant to the terms of an arm's-length mining claim acquisition agreement on September 6, 2020, between the Corporation and QcX Gold. In order to complete the transaction and in accordance with the terms of the agreement, QcX Gold issued to the Corporation an aggregate of 1,750,000 common shares, and granted in favour of the Corporation a 2.5% net smelter returns royalty, with no buyback option, in respect of the Kali Project.

Harfang Exploration Inc.

Management's Discussion & Analysis – Quarterly Highlights

Nine months ended October 31, 2020

3. EXPLORATION ACTIVITIES (CONT'D)

Exploration work on the property

The Corporation compiled historical geological data along this portion of the Lower Eastmain greenstone belt during Q1-21 and Q2-21 and did not proceed to any field exploration on the Kali Property during Fiscal 21.

3.8 Acquisition of the Bonfait Property

Property Description

In Q2-21, the Corporation staked 194 mining claims by mag designation totalling 9,940 ha in NTS sheets 33F08 and 33F09. This group of claims now forms the Bonfait Property which is 100%-owned by the Corporation. The property is located in the James Bay area, approximately 85 km southeast of the Radisson locality and 2 km south of the La Grande-3 airport. It is easily accessible by boat transportation from the Transtaïga Road. This new property, developed as part of the Corporation's projet generation, is considered as highly prospective for gold mineralization. Numerous gold occurrences surrounding the Au-Cu Zone 32 prospect (O3 Mining) are located 5 km west.

Geological knowledge of the area is limited to mapping done by the MERN. No historical exploration was done inside the actual limits of the property, except for a few claims in the northwestern portion. The project includes sedimentary rocks belonging to the Opinaca Subprovince in close proximity to the regional contact with the La Grande Subprovince. Dominant lithologies include folded wacke, paragneiss, polymictic conglomerate and pegmatite. No precious and/or base metal showing is yet known inside the limits of the property. The overall geological architecture of the area is considered favorable for gold mineralization especially because it straddles a metamorphic gradient (greenschist to lower amphibolite), a geological setting reminiscent of that in the region of the Éléonore mine.

Exploration work on the property

The Corporation is currently compiling historical geological data in the area covered by the project. A one-day and a half visit of the property was done during Q3-21. A total of 29 outcrops were described and 24 grab samples were collected. No significant results were obtained during that brief visit. This work will help in designing the first exploration program on this property planned for 2021.

3.9 Acquisition of the La Passe Property

Property Description

In Q2-21, the Corporation staked 80 mining claims by mag designation totalling 4,117 ha in NTS sheet 33F07. This group of claims now forms the La Passe Property which is 100%-owned by the Corporation. The property is located in the James Bay area, approximately 78 km southeast of the Radisson locality. It is accessible by boat transportation on lake Sakami from the Transtaïga Road. This new property, developed as part of the Corporation's projet generation, is considered as highly prospective for gold mineralization. The La Pointe prospect (QPM) is located 16 km southwest whereas the JR gold showing and other nearby mineralized occurrences, also owned by QPM, are located 8 km southwest of the La Passe Property.

Geological knowledge of the area is limited to mapping done by the MERN and scarce exploration mainly located along the shore of lake Sakami. The project includes sedimentary rocks belonging to the Opinaca Subprovince in close proximity to the regional contact with the La Grande Subprovince. Dominant lithologies include folded wacke, paragneiss and pegmatite. No precious and/or base metal showing is yet known inside the limits of the property. The overall geological architecture of the area is considered favorable for gold mineralization especially because it straddles a metamorphic gradient (greenschist to lower amphibolite), a geological setting reminiscent of that in the region of the Éléonore mine.

Harfang Exploration Inc.

Management's Discussion & Analysis – Quarterly Highlights

Nine months ended October 31, 2020

3. EXPLORATION ACTIVITIES (CONT'D)

Exploration work on the property

The Corporation is currently compiling historical geological data in the area covered by the project. A brief geological reconnaissance (half a day) was conducted during Q3-21 to locate outcropping areas and describe a few outcrops along the shore of lake Sakami. A total of 7 outcrops and boulders were described and 8 grab samples were collected. No significant results were obtained during that brief visit. A first-pass prospecting phase could be designed for 2021.

3.10 Projects Generation

During Q3-21, the Corporation continued its geological compilation program for the acquisition of new strategic gold and base metal properties in Québec. The new Bonfait and La Passe projects were recently created from our generative program. Some of our geological targets have been tested by prospecting during Q3-21. We collected a total of 169 grab samples and none of them returned significant results.

December 16, 2020

(s) François Goulet

François Goulet
President and CEO

(s) Yvon Robert

Yvon Robert
CFO