



TRILLIUM GOLD™

TRILLIUM GOLD MINES INC.

Form 51-102F1

Management's Discussion and Analysis of Financial Position and Results of Operations for the Financial Year Ended June 30, 2021

DATED: October 22, 2021

GENERAL

This Management's Discussion and Analysis ("MD&A") of Trillium Gold Mines Inc. ("Trillium" or the "Company") has been prepared by management as of the date above and should be read in conjunction with the audited consolidated financial statements for the years ended June 30, 2021 and 2020, including the notes thereon (the "Financial Statements"). The Company prepares its Financial Statements in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All figures are in Canadian dollars unless otherwise indicated. Additional information relating to the Company, including other regulatory filings, can be accessed on the SEDAR website at www.sedar.com.

FORWARD-LOOKING INFORMATION

This MD&A contains certain forward-looking statements and information relating to the Company that are based on the beliefs of its management as well as assumptions made by and information currently available to the Company. When used in this document, the words "anticipate", "believe", "estimate", "expect" and similar expressions, as they relate to the Company or its management, are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to, among other things, regulatory compliance, the sufficiency of current working capital, the estimated cost and availability of funding for the continued exploration and development of the Company's exploration properties. Such statements reflect the current views of the Company with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Aside from factors identified in the Company's consolidated financial statements, additional important factors, if any, are identified here.

DESCRIPTION OF BUSINESS

Trillium is a growth focused company engaged in the business of acquisition, exploration and development of mineral properties primarily located in the Red Lake Mining District of Northern Ontario. As part of its regional-scale consolidation strategy, the Company has assembled the largest prospective land package in and around the Red Lake mining district in proximity to major mines and deposits, as well as the Confederation Lake and Birch-Uchi greenstone belts. The Company's common shares are listed on the TSX Venture Exchange and trade under the symbol **TGM**.

Trillium was incorporated on November 3, 2005 under the *Business Corporations Act* (British Columbia) as Medina Ventures Inc. changing its name to Sienna Minerals Ltd. on April 26, 2006 changing its name to Confederation Minerals Ltd. on April 11, 2007, and changed its name to Trillium Gold Mines Inc. on June 18, 2020.

Effective February 12, 2020, the Company consolidated its issued and outstanding share capital on the basis of one (1) post consolidation share for each two (2) pre-consolidation common shares. Outstanding stock options and warrants were adjusted by the same consolidation ratio. All references to shares and per share amounts have been retroactively restated to give effect to the consolidation.

On January 1, 2021, the Company amalgamated with its subsidiaries, 1106877 B.C. Ltd. and Canadian Shield and continued as Trillium. No securities were issued in connection with the amalgamation. The shares of 1106877 B.C. Ltd. and Canadian Shield were cancelled on the amalgamation without any repayment of capital in respect of them.

HIGHLIGHTS DURING THE FINANCIAL YEAR 2021.

- New management team and directors appointed
- Entered into numerous property acquisition agreements to significantly increase its land package in the Red Lake, Ontario area
- Successfully raised gross proceeds of \$19.1 million in equity for property acquisitions and exploration activities
- Drilled in excess of 21,000 metres on the Newman Todd project, Rivard, and Gold Centre projects
- Spent \$5.7 million on exploration and evaluation of its properties
- Initiated a comprehensive investor relations marketing program to increase investor awareness of Trillium

SUBSEQUENT EVENTS

Subsequent to the year ended June 30, 2021, the Company entered into a non-binding letter of intent with Infinite Ore Corp., whereby the Company will acquire all of Infinite Ore's property holdings in the Confederation Lake assemblage of the Birch-Uchi greenstone belt near Red Lake, Ont. Under the proposed transaction and upon signing a definitive agreement, the Company would issue 4,000,000 common shares of the Company and pay \$175,000 in cash to Infinite Ore. In addition, the Company would assume all of Infinite Ore's cash payment commitments under its existing option agreements while Infinite Ore would retain its share issuance obligations. Closing of the proposed transaction is expected to occur in the fourth quarter of 2021 and is subject to the execution of definitive agreements and the approval of the TSX-V.

In July 2021, the Company issued 100,000 common shares to complete the acquisition of the Rivard Property.

During August 2021, the Company entered into an agreement to acquire thirteen contiguous patented mineral claims for a total of 229 hectares, collectively known as the "Willis Property", situated southwest of and contiguous to the Company's Newman Todd Project. Upon completion of the transaction, the Company will acquire 100% interest in the Willis Property, subject to a 2% net smelter returns (NSR) royalty (the "Royalty"), by completing payments totalling \$420,000, and an aggregate of 400,000 common shares in the capital of the Company. The Company has the right to repurchase one-half of the Royalty (1%) for consideration of \$1.2 million, payable in cash or shares. In addition, the Company has a right of first refusal should the holders of the Royalty choose to sell the Royalty in the future. The proposed transaction is expected to close in the fourth quarter of 2021.

OVERALL PERFORMANCE

The Company has a number of exploration properties in Ontario and Quebec, Canada and has assembled the largest exploration land package in the prolific Red Lake, Ontario area gold belt. The Company actively recommenced exploration activities in 2021 and its exploration focus was primarily on three projects: the Newman Todd Project, the Rivard Project and the Gold Centre Project. Information on these three projects as well as a summary of exploration activities on the Company's other projects during 2021 is as follows:

Summary of Exploration Expenditures

	Expenditures during fiscal year 2021	Expenditures during fiscal year 2020
Exploration and evaluation expenditures	\$	\$
Newman Todd Property	3,725,284	68,775
Rivard Property	1,136,401	-
Gold Centre property	361,664	-
Red Lake Gold Mining District	200,524	33,779
Confederation Lake and Birch-Uchi Greenstone Belts	171,889	-
South-West Red Lake Properties and Shining Tree Property	142,594	-
Caribou Creek, Moose Creek and Copperlode Properties	8,363	-
Pistol Bay	-	-
	5,746,719	102,554

Newman Todd Project

On December 29, 2020, the Company exercised its pre-emptive right to acquire from Heliostar Metals Ltd. (“Heliostar”) (formerly Redstar Gold Corp.) its 16.5% interest in the Newman Todd properties (the “NT Project”) which resulted in the Company holding a 100% interest in the NT Project.

The Company paid \$700,000 in cash and issued 650,000 common shares valued at \$975,000 to Heliostar. In addition, if at any point after closing there is 1,000,000 or more ounces of gold in measured and indicated reserves and resources on the NT Project, the Company has agreed to make an additional \$1,000,000 cash payment to Heliostar.

The Project is subject to a 2% net smelter return (“NSR”) and a 15% net carried interest. The latter interest does not receive payment until all capital expenditures have been recovered with interest.

The Company also owns an effective 50% interest in certain other claims adjacent to the Newman Todd Project.

The schedule below outlines the costs incurred on the NT Project as at June 30, 2021:

	As at June 30, 2019	Additions/ (Writedowns)	As at June 30, 2020	Additions/ (Writedowns)	As at June 30, 2021
	\$	\$	\$	\$	\$
Acquisition					
Cash payments	1	-	1	700,000	700,001
Share issuance	-	-	-	975,000	975,000
	1	-	1	1,675,000	1,675,001

	Cumulative to June 30, 2019	Expenditures during the year	Cumulative to June 30, 2020	Expenditures during the year	Cumulative to June 30, 2021
Exploration and evaluation expenditures	\$	\$	\$	\$	\$
Assays and reports	1,363,866	-	1,363,866	281,742	1,645,608
Camp construction	115,276	9,080	124,356	431,630	555,986
Drilling	4,860,038	-	4,860,038	2,252,028	7,112,066
Environmental	291,336	-	291,336	-	291,336
Equipment installation	101,950	-	101,950	80,256	182,206
Equipment and supplies	-	-	-	314,501	314,501
Field expenses	1,206,969	-	1,206,969	20,568	1,227,537
General administration	92,895	39,706	132,601	88,663	221,264
Metallurgy studies	133,482	-	133,482	-	133,482
Geological consulting	3,008,085	19,989	3,028,074	254,423	3,282,497
Permitting	4,340	-	4,340	750	5,090
Reclamation	10,000	-	10,000	-	10,000
Resource estimation	33,100	-	33,100	-	33,100
Surveys and geophysics	15,068	-	15,068	723	15,791
Travel and accommodation	480,250	-	480,250	-	480,250
Total exploration and evaluation expenditures	11,716,655	68,775	11,785,430	3,725,284	15,510,714

Rivard Property

On July 31, 2020, the Company signed an asset purchase agreement to acquire the Rivard Property, contiguous to its NT Project, in the Red Lake Mining District, Ontario. The Rivard Property consists of one lease of six contiguous minerals claims. Upon completion of the transaction, Trillium will acquire a 100% interest in the property, subject to a 1.5% NSR, by completing cash payments totaling \$400,000 and issuing 400,000 common shares of the Company over 3.5 years. The Company has the right to repurchase ½ of the NSR (0.75%) for consideration of \$1.2 million, payable in cash or shares. In addition, the Company has a right of first refusal should the holders of the NSR sell the NSR in the future. This property will be explored as an integral part of the NT Project.

On May 25, 2021, the Company signed an amendment that on the closing date, and every six months thereafter until the aggregate cash amount of \$400,000 has been paid and the aggregate of 400,000 common shares have been issued, the Company shall:

- a) pay \$199,000 and issue 100,000 common shares on the closing date to the vendors in full and final satisfaction of the total Purchase Price payable to them;
- b) pay an aggregate of \$33,500 payment to the vendors in such proportions as indicated on the amendment; and
- c) issue and deliver share certificates representing an aggregate of 50,000 common shares to the vendors in such proportions as indicated on the amendment.

As at June 30, 2021, the Company has the following future requirements to fulfill its obligation under the asset purchase agreement.

Common Shares	Amount	Due Date
100,000 (Subsequently issued)	\$199,000 (Paid on June 28, 2021)	On the closing date (June 28, 2021)
50,000	\$33,500	November 26, 2021
50,000	\$33,500	May 26, 2022
50,000	\$33,500	November 26, 2022
50,000	\$33,500	May 26, 2023
50,000	\$33,500	November 26, 2023
50,000	\$33,500	May 26, 2024

The schedule below outlines the costs incurred on Rivard Property as at June 30, 2021:

	As at June 30, 2020	Additions/ (Writedowns)	As at June 30, 2021
	\$	\$	\$
Acquisition			
Cash payments	-	199,000	199,000
	-	199,000	199,000
	Cumulative to June 30, 2020	Expenditures during the year	Cumulative to June 30, 2021
	\$	\$	\$
Exploration and evaluation expenditures			
Assays and reports	-	93,282	93,282
Camp construction	-	128,471	128,471
Drilling	-	695,485	695,485
Equipment and supplies	-	102,296	102,296
Field expenses	-	113	113
General administration	-	16,632	16,632
Geological consulting	-	96,274	96,274
Permitting	-	3,125	3,125
Surveys and geophysics	-	723	723
Total exploration and evaluation expenditures	-	1,136,401	1,136,401

Gold Centre Property

On August 31, 2020, Trillium Gold Ontario Inc. ("Trillium Ontario"), a wholly owned subsidiary of the Company, executed a carried interest joint venture agreement ("Joint Venture Agreement") with Rupert Resources Ltd. ("Rupert"). Pursuant to the Joint Venture Agreement, Trillium Ontario will obtain an 80% participating interest in the Gold Centre property and Rupert will have a 20% carried participating interest. The Gold Centre property consists of one lease containing seventeen mineral claims in the Red Lake Mining District, Ontario and Rupert has granted a 1.5% NSR on the property to a third party. In order to maintain its 80% participating interest in the property, the Company is required to:

- upon receiving drill permits, spend \$2,000,000 each year for five years on the property and spend \$500,000 per year thereafter; and
- issue four tranches of 500,000 common shares of the Company to Rupert, for a total of 2,000,000 common shares over the course of three years following the closing date.

The drill permits were received February 3, 2021. On February 23, 2021, the Company issued 500,000 shares to Rupert with a fair value of \$740,000.

The schedule below outlines the costs incurred on Gold Centre Property as at June 30, 2021:

	Cumulative to June 30, 2020	Expenditures during the year	Cumulative to June 30, 2021
Exploration and evaluation expenditures	\$	\$	\$
Camp construction	-	5,492	5,492
Drilling	-	208,883	208,883
Equipment and supplies	-	21,825	21,825
General administration	-	37,997	37,997
Geological consulting	-	82,654	82,654
Permitting	-	4,813	4,813
Total exploration and evaluation expenditures	-	361,664	361,664

2021 TRILLIUM EXPLORATION SUMMARY

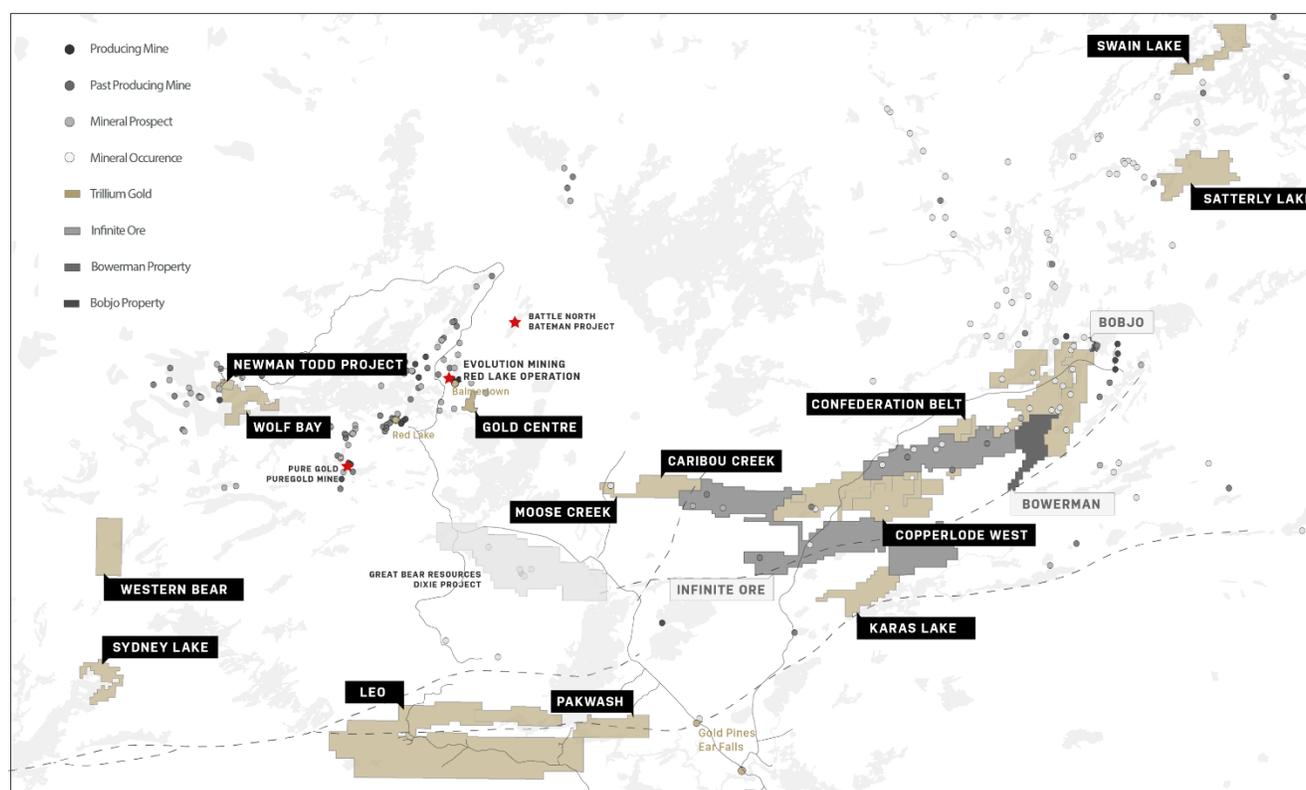


Figure 1: Regional map showing all Trillium Gold controlled projects in the Red Lake District (see news release dated July 19, 2021).

Newman Todd / Rivard Project

Drilling continued through the fourth quarter ended June 30, 2021 (“Q4”) on the greater Newman Todd project, for 5,487 metres of core drilling in 13 drill holes. Seven drill holes, for 2,845 metres were drilled on Newman Todd and six holes on Rivard totaling 2,642 metres Total drilling by the Company at the year ended June 30, 2021 stands 19.663 metres. This now brings the total historical and current drilling on both properties to 83,719 metres in 259 drill holes.

Prior to 2020, the most recent phase of drilling on the property was completed in September 2013. Since then, the Company has undertaken further geological interpretation, a ground magnetic survey of the Hinge Zone area, metallurgical and environmental studies, and the preparation of a PEA, published in early 2015.

In Q4 2021, drilling on the NT Zone focused on the Hinge Zone Fault area of the NT Zone, under Abate Lake, followed by testing in and around the NT20-169 intercept of 15.41 g/t gold over 7.05m. Drilling on the Rivard property continued to target both the southwest extension area of the NT Zone and the high-grade quartz veining in the vicinity of the historical trenching. Previous drilling on Rivard had a very narrow focus and was mostly completed to less than 100m vertical depths. The Company's longer holes were drilled to intersect multiple veins and to determine their orientation and continuity.

Beginning in Q3 2021, a detailed study looking at a number of historical and current drill holes was initiated: to determine the mineralization types in the NT Zone; to look in more detail at the breccias to determine any discernible pattern in them; to determine the NT Zone gold mineralization paragenesis; and to ultimately better understand the gold mineralization controls. A much better understanding of the gold mineralization was gathered. Major findings include:

- Recognition that higher grades and wider zones are associated with an increase in the intensity of greyish silica alteration and sulphide-magnetite mineralization;
- Recognition that the NT Zone comprises a series of northeast-southwest trending blocks cut by east-west faults and felsic tuffs at the boundaries; and
- confirmation that high-grade gold mineralization is associated with quartz veining and where no veining was logged previously, it was found upon subsequent inspection.

Visual results from the "fan hole" series drilling, testing the new structural interpretation of high-grade mineralization control, was successful in that it is seen that the NT Zone, in the Hinge Zone area, has been broken into a series of fault-bounded blocks that have been slightly rotated and pulled apart. This was consistent with the results of the detailed study of historical core that was begun in Q3. This further supports the east/west faulting having a significant impact on both the geometry of the NT Zone and enrichment of the gold mineralization.

Throughout the first six months of 2021, the Company suffered a significant assay lab slowdown, ultimately up to almost a three month wait for results. When it was determined that the original lab could not resolve the backlog in timely manner, the Company decided to change assay labs. This included having backlogged samples, not yet in the preparation stream at the first lab removed and sent to the new lab. This decision had an immediate effect of significantly decreased turnaround times, but the bulk of the assay results only started returning in mid-April. Despite changing assay labs and initially seeing a relatively quick assay turnaround, the Company again saw a significant increase in wait times for assay results. By the end of June 2021, the majority of assays from the Q4 drilling were still outstanding and results from the Q3 drilling were still being received. This is seen to be an industry-wide issue.

On May 3, 2021, the Company received its second Early Exploration Permit for drilling, outcrop stripping and channel sampling on Rivard. By the end of Q4 outcrop stripping had only just begun.

In Q3, work with the mineralization model continued and an exploration block model was run in-house. This was done to give the Company a benchmark on the deposit to ascertain the effect of new orientation interpretations and revised modeling on the previous model incorporated in the Preliminary Economic Analysis released in 2015 (the "PEA"). This modelling exercise was a success and the new model is now being used to guide the exploration drilling for in-filling and expanding on the NT Zone mineralization. Work has continued in Q4 with the modeling and the most recent interpretation is now giving better definition to the NT Zone structure and mineralization geometry. In Q4, work also began to better define the 3D geology of the Rivard property and obtain a better understanding of the gold mineralization controls. This work is on-going but should bear fruit in the next quarter.

In May 2021, an airborne magnetic survey was commissioned over the Newman Todd and Rivard properties. This work was completed with the final data received in late-July 2021.

On July 12, 2021, the Newman Todd camp was evacuated, and all work suspended due to unprecedented wildfire activity less than 15 km to the west of the camp. Activities at the Newman Todd camp recommenced in September 2021.

Gold Centre Project

Through Q3 2021, work continued on refining the drilling program with the highlight being sourcing the data from the 2013 induced polarization survey and incorporating the results into the drill hole targeting. In early February 2021, the Exploration Permit for Gold Centre was granted. Drilling began on June 10, 2021, with a total of 1,327 metres drilled in one completed and a second partial drillhole by the end of the quarter. The July 20, 2021, Implementation Order from the Ministry of Northern Development, Mines, Natural Resources and Forestry (MNDMNR) restricting much of the work in the entirety of Northwestern Ontario caused the drill program to be suspended due to the extreme risk of igniting a wildfire in proximity to the townsite. Drilling restarted in September 2021.

Both drillholes (GC21-04 & GC21-05) intersected the contact between the Balmer and Huston assemblages as predicted where it was seen to be strongly altered and fractured. The presence of strong sulphide mineralization confirmed the Induced Polarization anomaly target is valid. The bulk of the anomaly lies to the west of the completed drilling and will be drill tested in the current drill program.

The Balmer Assemblage rocks showed favourable features similar to those seen at Evolution's Red Lake Operation immediately to the west, namely quartz-carbonate veining and brown biotite alteration. Sampling is continuous through the entire Balmer Assemblage and assays will be obtained for gold as well as results from geochemical and whole-rock analysis. All results remain pending.

In late March, the initial Management Committee meeting was held where the first year's work plan was reviewed and approved. The initial drill program is designed to test the Balmer stratigraphy below the northern portion of the Lease with drill holes of 900m to 1500m in length. The untested induced polarization anomalies outlined in the 2013 survey will also be tested with the drilling as they may indicate mineralization associated with the Balmer contact.

The drill program will consist of approximately 8 drill holes for about 8,000 metres in the northern portion of the Lease. Also included in the work will be investigations of some of the historical holes to ascertain their suitability for re-entry and extensions. The concept of the exploration plan is to intersect the Red Lake Mine stratigraphy at shallower depths in the north then begin to follow them down-dip deeper to the south.

Confederation Belt and Caribou Creek, Moose Creek, Copperlode West and Karas Lake Properties

Due to their proximity to one another, these properties are all being explored together. The compilation work on these properties continued through Q3 2021 and grassroots exploration targets were developed. A work program was developed targeting gold prospective areas throughout the properties and includes: Spatiotemporal Gas Hydrocarbon soil sampling ("SGH"), prospecting, mapping, rock sampling and airborne magnetic surveys.

The SGH method is a cost-effective technique of prioritizing targets and can be used over a wide variety of soil types in areas not amenable to conventional soil sampling. In all, approximately 10 grids were designed for SGH sampling with an estimate of up to two months needed to collect all the samples.

In May 2021, the soil sampling program had begun, using Fladgate Exploration Consulting to perform the fieldwork. The program continued through Q4 and was completed in early August 2021 with many samples remaining in the lab. As of end of August 2021, only four reports for grids on the Copperlode project ground had been received. These are still being analysed by the project geologists.

Also in May 2021, an airborne magnetic survey was commissioned for the Moose and Caribou properties as well as the westernmost portion of the Confederation Belt package. Final results from these surveys were received in early July 2021 and are being reviewed.

During Q4, geological prospecting was carried out throughout the extent of the property. Using the abundant historical information from Base-Metal exploration, recent work has focused on gold-favourable structures and lithological contacts and has mainly consisted of traverses across major structures and abundant rock sampling. Work was also carried out to locate historical drill holes in order to better locate past results. Results from all rock samples remain pending.

Hot and dry conditions with occasional lightning storms forced the soil sampling crew to temporarily evacuate when fires ignited only a few kilometres from their camp. Despite this, the general Implementation Order, issued by MNDMNRF on July 20, 2021, restricting work in the entirety of Northwestern Ontario did not affect the low-risk exploration work on these properties.

Leo Project

On August 13, 2020, the Company engaged Windfall Geotek to identify high-grade gold targets on the Leo Property using their proprietary CARDS Artificial Intelligence system. The purpose of this study was to assist the Company to rapidly identify and assess areas of high exploration potential by analyzing large public and in-house datasets. Because of the delay in publishing their report, Windfall expanded their coverage to all of the Company's currently held properties. A number of anomalous target areas were defined and a report was delivered to the Company in early February 2021.

In October 2020, the Company undertook a 3,134 line-km helicopter-borne high resolution gradient magnetic survey. The final results were received and the data passed on to Paterson, Grant & Watson for a geological interpretation. The main goal of the geophysical interpretation was to better define the structural and lithological controls of mineralization in the area, and to outline follow-up targets for ground geophysical and/or geochemical work. This included identification of major regional structures and extensions of intrusives underneath the surficial cover. A number of ground follow-up targets were suggested for geological mapping and drilling. This report was received in late March 2021.

In November 2020, an application was submitted for an Early Exploration Permit to undertake an overburden and bedrock sampling reverse circulation drilling program. Early in January 2021, the application was put on hold by the Ministry of Energy, Northern Development and Mines ("ENDM") to facilitate further First Nations consultations on the proposed work program.

Subsequent to the initial hold period, the ENDM placed an indefinite hold on the Permit application. With little headway on consultation, the Permit application was withdrawn voluntarily by the Company in May 2021 to facilitate meaningful discussions with the concerned First Nation to proceed, unencumbered by the pending permit approval. Assurance was provided from ENDM that, upon application, the claim tenure would be protected during this time.

Satterly Lake and Swain Lake

These two properties are among the most recent acquisitions and are isolated claim blocks north of the Confederation Belt project.

Compilation work continues and recommendations for follow-up work will come in due course. The Satterly Lake property was covered by an airborne magnetic survey and the results received in late July 2021 which are being reviewed.

South-West Red Lake Properties

In October 2020, the Company undertook a combined 408 line-km helicopter-borne high resolution gradient magnetic survey over the 2 individual blocks. Final results were received, and the data passed on to Paterson, Grant & Watson for a geological interpretation. The interpretation report from these properties was received in a combined report with the Leo property results and recommendations.

Because these properties also lie within the territory of the concerned First Nation community, summer work plans of prospecting and sampling were put on hold to allow the completion of the overarching consultation process. This was undertaken in consultation with the ENDM. Again, the Company received assurance that the tenure on these properties will be protected upon application, in due course.

Shining Tree Property

In preparation of possible prospecting work later in 2021, an airborne magnetic survey of the Shining Tree property was completed in February 2021. This data will also be sent out for interpretation. No other work has been

completed but a detailed compilation was initiated and completed in May 2021. The recommendations for this property included prospecting work with sampling.

Larder Lake Property

Compilation of available historical data was begun in May 2021 and completed in June.

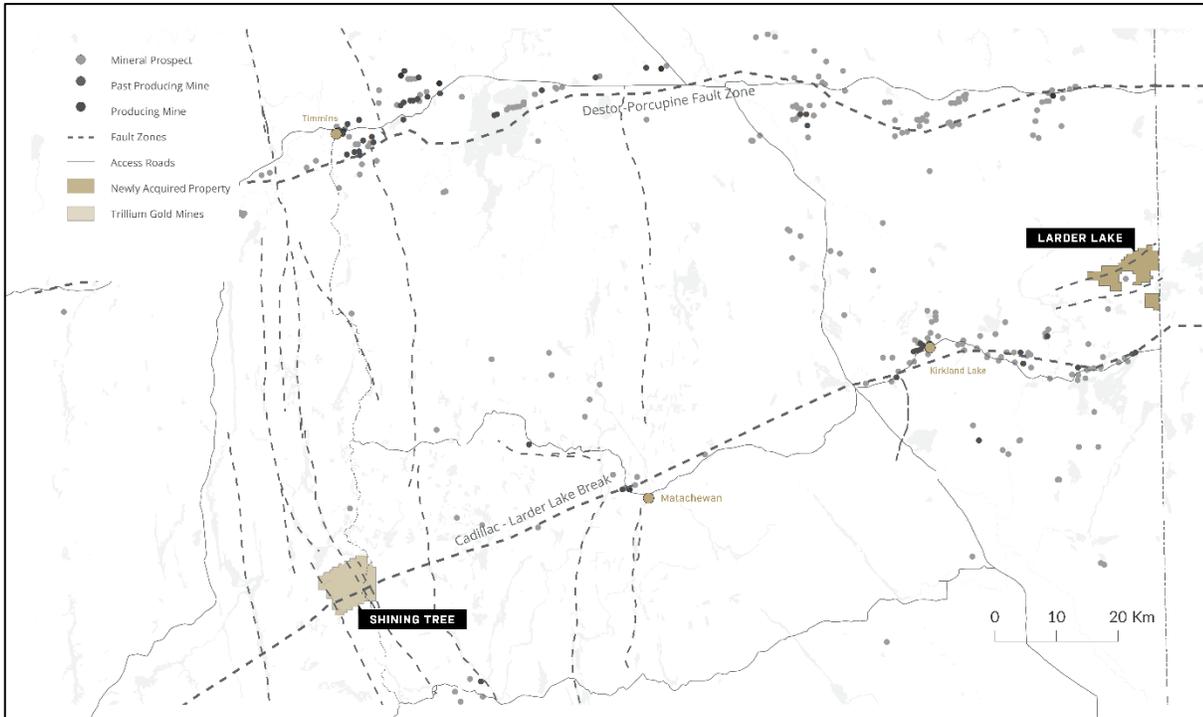


Figure 2: Regional map showing Trillium Gold controlled projects in the Kirkland Lake District.

Quebec Properties

Compilation of available historical data was begun in May 2021 and continues as of August 2021.



Figure 3: Regional map showing all Trillium Gold controlled projects in the Abitibi greenstone belt in Western Quebec.

For further information on the Company's active projects please see the Company's news releases all of which are available on www.sedar.com, and on the Company's website at www.trilliumgold.com.

FINANCIAL AND OPERATING SUMMARY

During 2021, the Company actively recommenced exploration activities and property acquisitions in the Red Lake, Ontario area. The Company has incurred payments of various operating expenses during the year the principal expenses being: consulting and management fees, professional fees, exploration expenditures and office expenses. (also refer to Additional Disclosure for Junior Issuers in this MD&A). The key determinants of the Company's operating results is the state of the capital markets which affects the ability of the Company to finance its exploration activities and business activities and the success of its exploration programs on its properties.

The consolidated statement of financial position as at June 30, 2021 indicates a cash balance of \$6,738,742 (June 30, 2020: \$1,831,921), receivables of \$507,376 (June 30, 2020: \$21,827), and prepaid expenses and deposits of \$539,724 (June 30, 2020: \$5,133). Total current assets amount to \$7,785,842 (June 30, 2020: \$1,858,881). The total current liabilities at June 30, 2021 are \$846,244 (June 30, 2020: \$859,636). Shareholders' equity is comprised of share capital of \$48,203,655 (June 30, 2020: \$27,695,650), share to be issued of \$nil (June 30, 2020: \$1,608,750), share option and warrant reserves of \$6,243,223 (June 30, 2020: \$3,923,704), and deficit of \$39,529,348 (June 30, 2020: \$27,820,857).

The increase in shareholders' equity is due to: the Company issuing the remaining 3,250,000 shares for acquiring a private company, Canadian Shield Developments Corp., whereby the Company acquired the South-West Red Lake Properties and the Shining Tree Property. In December 2020, the Company issued 200,000 shares for acquiring the Caribou Creek, Moose Creek and Copperlode Properties, and 650,000 shares for acquiring the remaining 16.5% interest of New Todd Property resulting in a 100% interest in the project. In February 2021, the Company issued 210,000 shares for acquiring the property of Confederation Lake and Birch-Uchi Greenstone

Belts, and 500,000 shares for acquiring 80% interest in Gold Centre Property. In addition, the Company closed three non-brokered private placements in July 2020, October 2020 and June 2021 which issued 2,083,000 shares, 6,479,900 shares and 5,000,000 shares respectively.

Working capital surplus, which is defined as: current assets less current liabilities, is \$6,939,598 at June 30, 2021 (June 30, 2020: working capital deficit of \$999,245). The Company's working capital increased over the year due to the increase of cash received from equity capital raises and receivables from GST/HST input tax credits.

As at June 30, 2021, the Company has no earnings and therefore finances exploration activities by the issuance of its common shares and/or proceeds from property dispositions.

SELECTED ANNUAL INFORMATION

The following table provides a brief summary of the Company's financial operations for the three most recently completed financial years:

Year ended June 30,	2021	2020	2019
	\$	\$	\$
Total Revenues	Nil	Nil	Nil
Net Loss	(11,708,491)	(1,607,094)	(502,796)
Net Comprehensive Loss	(11,708,491)	(1,607,094)	(502,796)
Basic Loss per Share	(0.38)	(0.14)	(0.04)
Total assets	16,868,663	6,266,883	1,561,226
Weighted average number of shares outstanding	30,549,065	11,739,949	13,651,630
Total long-term liabilities	1,104,889	Nil	Nil
Shareholders' equity	14,917,530	5,407,247	886,511

RESULTS OF OPERATIONS

Annual

During the year ended June 30, 2021, the Company incurred a net loss from operations of \$11,708,491 (June 30, 2020: \$1,607,094). Significant items making up the change in net loss for the fiscal year 2021, as compared to the fiscal year 2020 were as follows:

- Consulting and management fees increased to \$1,121,522 (June 30, 2020: \$378,500) due to increased activities in geological, corporate communication, administrative, investor relations and management services.
- Exploration and evaluation expenditures increased to \$5,746,719 (June 30, 2020: \$102,554) due to the Company's active exploration activities re-commencing in 2021.
- Marketing and investor relations increased to \$2,906,128 (June 30, 2020: \$Nil) due to the Company's increased activities on marketing, promotion and investor relations.
- Professional fees of \$855,935 (June 30, 2020: \$139,659) were increased due to the increased legal services in providing documentations for the acquisition transaction, private placements, and share consolidation during the year.
- Share-based compensation of \$1,613,429 (June 30, 2020: \$873,580) were increased as the Company granted 1,700,000 stock options to its officers, directors, and consultants which are non-cash expenses in 2021 while 1,550,000 stock options were granted in 2020.

Fourth Quarter 2021

During the quarter ended June 30, 2021, the Company incurred a net loss from operations of \$2,691,529 (June 30, 2020: \$1,239,408). The largest factors contributing to the operating expenses were consulting and management fees, exploration and evaluation expenditures, marketing and investor relations, professional fees, and share-based compensation.

- Consulting and management fees of \$302,245 (June 30, 2020: \$131,500) were related to geological, corporate communication, administrative, investor relations, and management services.
- Exploration and evaluation expenditures of \$1,953,495 (June 30, 2020: \$37,603) were incurred as the Company has increased its exploration activities.
- Marketing and investor relations of \$468,048 (June 30, 2020: \$Nil) as the Company has increased activities on marketing, promotion, and investor relations.
- Professional fees of \$96,253 (June 30, 2020: \$109,339) were related to the general audit fees and legal fees during the year.
- Share-based compensation of \$340,168 (June 30, 2020: \$873,580) were incurred as the Company granted 300,000 stock options to its officers, directors, and consultants in the fourth quarter of 2021 in comparison to 1,550,000 stock options granted being in the fourth quarter of 2020.

SUMMARY OF QUARTERLY RESULTS

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

For the Quarter Periods Ending on:	June 30, 2021	March 31, 2021	December 31, 2020	September 30, 2020
Total Revenues	Nil	Nil	Nil	Nil
Net Loss	(2,691,529)	(2,985,742)	(4,490,557)	(1,540,663)
Net Comprehensive Income (loss)	(2,691,529)	(2,985,742)	(4,490,557)	(1,540,663)
Basic Loss per Share	(0.07)	(0.08)	(0.14)	(0.07)

For the Quarter Periods Ending on:	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019
Total Revenues	Nil	Nil	Nil	Nil
Net Loss	(1,239,408)	(140,653)	(105,929)	(121,104)
Net Comprehensive Income (loss)	(1,239,408)	(140,653)	(105,929)	(121,104)
Basic Loss per Share	(0.07)	(0.01)	(0.01)	(0.01)

LIQUIDITY

At June 30, 2021, the Company had a cash balance of \$6,738,742 (June 30, 2020: \$1,831,921). The increase in total cash was mainly due to the Company closing three equity financings which raised gross proceeds of \$999,840 and \$13,127,318 and \$5,000,000 in July 2020, October 2020 and June 2021, respectively. The Company had working capital surplus of \$6,939,598 as at June 30, 2021 (June 30, 2020: \$999,245).

Net cash used in operating activities for the year ended June 30, 2021 was \$11,660,795 compared to \$609,663 for the year ended June 30, 2020. The increase in 2021 was mainly due to the increase in exploration and evaluation expenditures and operating expenses during the year as the Company actively recommenced activities.

Net cash used in investing activities for the year ended June 30, 2021 was \$1,658,669 compared to \$30,460 for the year ended June 30, 2020. The increase was due to the increased investment on exploration and evaluation assets, and the purchase of equipment during the year.

Net cash derived from financing activities for the year ended June 30, 2021 was \$18,226,285 (June 30, 2020: \$2,036,750) attributed to the equity financings during the year for gross proceeds of \$19,127,158. Trillium does not have any indebtedness other than normal course trade payables and leases.

The Company has no history of profitable operations and its exploration and evaluation projects are at an early stage. Therefore, the Company is subject to many risks common to comparable junior resource companies, including under-capitalization, cash shortages and limitations with respect to personnel, financial and other resources as well as a lack of revenues. The Company is dependent on raising additional equity or debt capital to continue operating and there is no guarantee that management will continue to be successful in raising additional capital in the future.

CONTINGENCIES AND COMMITMENTS

Contractual obligations of the Company as at June 30, 2021 are as follows:

	1 year	1-3 years	>3years	Total
Accounts payable & accrued liabilities	\$ 759,414	\$ -	\$ -	\$ 759,414
Leases	120,040	144,320	311,458	\$ 575,818
Total	\$ 879,454	\$ 144,320	\$ 311,458	\$1,335,232

In addition, Trillium has exploration properties that in some cases require annual cash payments and/or common share compensation payments to complete the acquisition of such properties. (refer to note 8 of the Financial Statements).

SUMMARY OF OUTSTANDING SHARE DATA

The Company's issued and outstanding share capital as at the date of this report is as follows:

- (1) Authorized: Unlimited common shares without par value.
- (2) The Company has 41,035,548 common shares, and 3,425,000 stock options issued and outstanding.
- (3) The Company has 13,566,041 warrants issued and outstanding.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

Key management personnel are the persons responsible for the planning, directing, and controlling of the activities of the Company and include both executives and non-executive directors, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel.

The aggregate value of transactions recorded as consulting fees relating to key management personnel and entities which they have control or significant influence over were as follows:

Services provided by:	Note	Year Ended June 30,	
		2021	2020
		\$	\$
Baron Global Financial Canada Ltd.	(a)	156,000	120,000
David Velisek	(b)	30,000	9,000
James Lenec	(c)	65,000	79,000
Ridgeside Canada Inc.	(d)	267,500	56,500
William Paterson	(e)	133,333	-
Altair Management Ltd.	(f)	39,000	-
Robert Schafer	(g)	25,000	-
Robert Kang	(h)	15,000	-
Donna Yoshimatsu	(i)	55,000	-
Ian MacNeily	(j)	20,000	-

- a) Pursuant to a management and advisory agreement with Baron Global Financial Canada Ltd. ("Baron"), Baron agreed to act as corporate advisor of the Company in return for a monthly fee.
- b) David Velisek, Director of the Company who provided business development consulting services.
- c) James Lenec, President and Director of the Company who provided consulting services.
- d) Ridgeside Canada Inc. is fully owned by Russell Starr, who is the CEO and Director of the Company providing management services.
- e) William Paterson, Vice President of Exploration of the Company who managed the mineral exploration programs and technical and exploration team, and assisted the development of the mineral asset portfolio for the Company.
- f) Altair Management Ltd. is fully owned by an affiliate of the former CFO and provided advisory services to the Company.
- g) Robert Schafer is Chairman of the Company's Board of Directors.
- h) Robert Kang is Director of the Company.
- i) Donna Yoshimatsu, VP Corporate Development and Investor Relations of the Company who provided business development and investor relations consulting services.
- j) Ian MacNeily, Chief Financial Officer of the Company who provided CFO consulting services.

The following table outlines the Company's related party payables:

	June 30, 2021	June 30, 2020
	\$	\$
Baron Global Financial Canada Ltd.	-	21,000
David Velisek	-	12,946
Denise Lok	-	1,595
Donna Yoshimatsu	11,450	-
James Lenec	-	2,675
Luke Norman	-	28,500
Queenie Kuang	-	596
Ridgeside Canada Inc.	762	-
	12,212	67,312

CRITICAL ACCOUNTING ESTIMATES

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors,

including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

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

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

Acquisition of Assets

The determination of whether a set of assets acquired and liabilities assumed constitute a business may require the Company to make certain judgments, taking into account all facts and circumstances. A business is presumed to be an integrated set of activities and assets capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs or economic benefits.

Share-based Payment Transactions

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

FINANCIAL RISK MANAGEMENT

Interest Rate Risk

The Company's interest rate risk mainly arises from changes in the interest rates on cash. Cash generates interest based on market interest rates. At June 30, 2021, the Company was not subject to significant interest rate risk.

Foreign Exchange Rate Risk

The Company is not subject to significant foreign exchange risk as all of the Company's operations are located in Canada.

Credit Risk

Credit risk arises from the non-performance by counterparties of contractual financial obligations. The Company's credit risk arises primarily with respect to cash held on deposit and receivables.

The Company manages its credit risk by investing only in high quality financial institutions. Receivables are due from a government agency.

Liquidity Risk

The Company manages liquidity risk by maintaining adequate cash balances. If necessary, the Company may raise funds through the issuance of debt, equity or sale of non-core assets. The Company ensures that there is sufficient capital to meet its obligations by continuously monitoring and reviewing actual and forecasted cash flows, and match the maturity profile of financial assets to development, capital and operating needs. The Company is exposed to liquidity risk.

RISK AND UNCERTAINTIES

The Company's principal activity is mineral exploration and development. These activities involve a high degree of risk which, even with a combination of experience, knowledge and careful evaluation, may not be overcome. Consequently, no assurance can be given that commercial quantities of minerals will be successfully found or produced.

The Company has no history of profitable operations and its present business is at an early stage. As such, the Company is subject to many common risks applicable to new and developing enterprises, including undercapitalization, cash shortages and limitations with respect to personnel, financial and other resources and the lack of revenues. There is no assurance that the Company will be successful in achieving a positive return on shareholders' investment.

The Company has no source of operating cash flow and no assurance that additional funding will be available to it for further exploration and development of its projects when required. Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and development of its properties.

The mineral industry is intensely competitive in all its phases. The Company competes with many other mineral exploration companies who may have greater financial resources and technical capacity.

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

ADDITIONAL DISCLOSURE FOR JUNIOR ISSUERS

The Company has incurred the following material cost components during the year ended June 30, 2021 and 2020:

Year Ended June 30,		2021	2020
		\$	\$
Consulting and management fees	(a)	1,121,522	378,500
Exploration and evaluation expenditures	(b)	5,746,719	102,554
Filing fees	(c)	176,731	44,822
Marketing and investor relations	(d)	2,906,128	-
Professional fees	(e)	855,935	139,659
Share-based compensation	(f)	1,613,429	873,580

- (a) Consulting fees and management fees were paid to directors, officers and consultants of the Company to provide geological, corporate communication, administrative, investor relations and management services. The transactions were conducted in the normal course of operations, on commercial terms established and agreed to by the related parties, and were recorded at the exchange amount.
- (b) The Company has expensed the following exploration and evaluation expenditures during the year ended June 30, 2021 and 2020:

	Expenditures during fiscal year 2021	Expenditures during fiscal year 2020
Exploration and evaluation expenditures	\$	\$
Newman Todd Property	3,725,284	68,775
Rivard Property	1,136,401	-
Gold Centre property	361,664	-
Red Lake Gold Mining District	200,524	33,779
Confederation Lake and Birch-Uchi Greenstone Belts	171,889	-
South-West Red Lake Properties and Shining Tree Property	142,594	-
Caribou Creek, Moose Creek and Copperlode Properties	8,363	-
Pistol Bay	-	-
	5,746,719	102,554

- (c) Filing fees were related to the filings of acquisition transactions to the TSX-V.
- (d) Marketing and investor relations expenses were related to marketing, promotion and investor relations activities.
- (e) Professional fees were primarily related to general legal and audit fees.
- (f) Share-based payments are non-cash expenses that related to stock options granted to directors, officers, and consultants. During 2021, the Company granted 1,700,000 options to its officers, directors and consultants which incurred \$1,613,429 share-based payments expense. During 2020, there were 1,550,000 stock options granted which incurred \$873,580 in expense.

CORPORATE GOVERNANCE

Management of the Company is responsible for the preparation and presentation of the Financial Statements and MD&A and other information contained in this report. Additionally, it is Management's responsibility to ensure the Company complies with the laws and regulations applicable to its activities.

Management is held accountable to the Board of Directors ("Directors"). The Directors are responsible for reviewing and approving the Financial Statements and MD&A. Responsibility for the review and approval of the Company's unaudited interim financial statements and MD&A is delegated by the Directors to the Audit Committee, which is comprised of three directors, two of whom are considered independent. Additionally, the Audit Committee pre-approves audit and non-audit services provided by the Company's auditors.

The auditors are appointed annually by the shareholders to conduct an audit of the consolidated financial statements in accordance with generally accepted auditing standards. The external auditors have complete access to the Audit Committee to discuss the audit, financial reporting and related matters resulting from the annual audit as well as assist the members of the Audit Committee in discharging their corporate governance responsibilities.

OTHER CORPORATE INFORMATION

The Company is a reporting issuer in the provinces of British Columbia and Alberta. The Company's head office is located at Suite 2250, 1055 West Hastings Street, Vancouver, BC, V6E 2E9