

FORWARD-LOOKING INFORMATION AND MATERIAL ASSUMPTIONS

This report on results for the three month period ended March 31, 2021 contains forward-looking information, including forward-looking information about Bonterra Resources Inc.'s (the "**Company**" or "**Bonterra**") operations, estimates, and exploration and acquisition spending.

Forward-looking information is generally signified by words such as "forecast", "projected", "expect", "anticipate", "believe", "will", "should" and similar expressions. This forward-looking information is based on assumptions that the Company believes were reasonable at the time such information was prepared, but assurance cannot be given that these assumptions will prove to be correct, and the forward-looking information in this report should not be unduly relied upon. The forward-looking information and the Company's assumptions are subject to uncertainties and risks and are based on a number of assumptions made by the Company, any of which may prove to be incorrect.

GENERAL

This Management Discussion and Analysis – Quarterly Highlights ("Quarterly Highlights") of the financial condition, results of operations and cash flows of the Company for the three month period ended March 31, 2021 should be read in conjunction with the condensed consolidated interim financial statements as at and for the three month periods ended March 31, 2021 and 2020. This Quarterly Highlights is effective May 20, 2021. Additional information relating to the Company is available on SEDAR at www.sedar.com.

The Company has prepared its condensed consolidated interim financial statements for the three month periods ended March 31, 2021 and 2020 in Canadian dollars and in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board.

External auditors, appointed by the shareholders, have not audited or reviewed the condensed consolidated interim financial statements for the three month periods ended March 31, 2021 and 2020 and did not perform the tests deemed necessary to enable them to express an opinion on these condensed consolidated interim financial statements.

RECENT COMPANY HIGHLIGHTS

- On April 7, 2021, the Company completed a brokered private placement for gross proceeds of \$17,472,300. The Company issued (a) 2,350,000 common shares of the Company at a price of \$1.05 per common share for gross proceeds of \$2,467,500, and (b) 10,420,000 flow-through shares of the Company ("**FT Shares**") at a price of \$1.44 per FT Share for gross proceeds of \$15,004,800.
- On December 9, 2020 and December 15, 2020, the Company closed tranches of a completed non-brokered private placement for gross proceeds of \$15,000,000 through the issuance of 13,043,478 common shares (December 9 – 10,669,891 and December 15 – 2,373,587) of the Company at a price of \$1.15 per common share.
- The Company processed successfully a 10,000 tonne bulk sample at Moroy. Including the stockpiled Bachelor material the Company produced and sold 1,500.22 ounces of gold and 166.132 ounces of silver.
- The Company discovered a high-grade gold mineralized vein at the Panache property from surface mapping and channel sampling.

OUTLOOK

The Company attained the drilling cut-off date on May 10, 2021 as per National Instrument NI 43-101 ("**NI-43-101**") guidelines to be included in an updated mineral resource estimate ("**MRE**") for the Gladiator, Barry and Moroy deposits, expected to be released by the end of Q2 2021. The Company will continue drilling after

this cut-off date but those drill results will not be included in the MRE. The updated MRE will incorporate 140,000 metres (“m”) of drilling completed since the prior resource estimate.

The 8 drill rigs are expected to drill an additional 84,000 m from the date hereof to the end of December 2021, which is comprised of:

- 25,000 m of mineral resources extension at Gladiator from 2 barge-mounted drills; 19,000 m for mineral resources extension at Moroy from 1 surface drill and 1 underground drill;
- 22,000 m for mineral resources extension at Barry from 2 surface drills; and
- 18,000 m of exploration drilling in the Urban-Barry regional camp to test several high priority targets identified following a geophysical airborne survey completed in the summer of 2019 and using 2 fly drills that standard drill rigs can only access these targets in the winter.

The recently modeled mineral resources extensions at the Barry, Gladiator, and Moroy deposits include drilling of the extensions of the known zones which will be incorporated into the updated MRE. The updated MRE is part of the Company’s continued path towards the completion of a preliminary economic assessment incorporating the Barry, Gladiator, and Moroy deposits scheduled for Q4 2021.

BULK SAMPLE

In December 2019, the Ministry of Energy and Natural Resources (“**MERN**”) gave approval to extract 5,000 tonnes of mineralized material from the Moroy zone. In July 2020, the MERN authorized an additional 5,000 tonnes, bringing the total to 10,000 tonnes to be extracted in the Moroy zone bulk sample program. The bulk sample program at the Moroy project was undertaken in order to verify the grade continuity within the mineralized structure and reconcile the resource grade to the recovered ounces following processing.

The bulk sample focused on the M1 shear zone on level 11, which is 440 m below surface. The zone was mined from an existing exploration drift starting from the Bachelor shaft 900 m to the north of the Moroy deposit. The M1 structure is sub-vertical and the company extracted the bulk sample using a sub-level long-hole stoping method at 15 m intervals.

The Company began the bulk sample program in January 2020. Drilling was underway when the Company ceased all activities due to the advent of the COVID-19 pandemic (“**COVID-19**”). Work resumed on July 15, 2020, and blasting shortly thereafter. The broken material on level 11 was transported to the Bachelor shaft. Once at surface, the mineralized material was processed onsite at the Bachelor mill under the supervision of a third-party engineering firm. The bulk sample was completed in November 2020. The results of the completed bulk sample program were announced in late Q4 2020.

The average mill head grade obtained in the bulk sample was 3.87 g/t Au, which is 9.3% higher than the measured resources grade of 3.54 g/t Au from the block model estimated by SGS Geological Services, of Blainville, QC (“**SGS**”) from the same extracted volume of the M1 structure. The results from the bulk sample confirms the validity of the block model, and the resources calculation estimated by SGS. The average mill recovery for the gold was 94.9% from processing 11,093 tonnes extracted from the M1 structure. Processing of the bulk sample resulted in the production of 1,308 ounces of gold, all milled at the Company’s Bachelor Mill.

UPDATE ON H2 2020

The H2 2020 program consisted mainly of seven drill rigs including four to six land drill rigs (four when barge drilling was taking place), two barge drill rigs (one at Barry and one at Gladiator), when barge drilling was available and one underground drill rig at Moroy. The plan included an additional 56,000 m of drilling for the remainder of 2020. The planned H2 2020 drilling totalling 56,018 m was achieved which included 17,121 m of surface and underground drilling at Moroy, 13,493 m at Gladiator and 19,473 m at Barry and 5,932 m of exploration drilling on regional targets in the Urban-Barry area. Drilling activities and related exploration work resumed progressively while implementing the Company’s government approved Covid-19 health and safety

protocols to protect its workers and the surrounding communities near the projects, and is currently fully implemented.

Exploration Objectives of H2 2020 & Q1 2021

The Company's objective for the H2 2020 drill program was a balanced approach, which included deposit in-fill drilling, resource expansion drilling and exploration along known deposits and regional trends. The targeted project areas were as follows:

- Moroy deposit resource expansion
- Bachelor-Moroy regional exploration
- In-fill drilling and resource expansion at Gladiator
- Duke Option property earlier stage exploration and evaluation of the Lac Rouleau target
- In-fill drilling and resource expansion at Barry
- Urban-Barry regional exploration (Barry-Bart-Moss trend) and evaluation
- Greenfield early stage targets along cross-regional corridors of structural decompression

The H2 2020 exploration program has contributed a better understanding of the deposit models to assess the gold resource potential and grade continuity for the Moroy, Barry and Gladiator projects. Underground ongoing drilling at Bachelor-Moroy confirmed the convergence between the Bachelor (Main) and Moroy (M1) mineralized structures at depth. Drilling at Barry has confirmed the western and depth extent of several of the mineralized zones including the 800, 950, 1000, H1, H2, H8, H12, H13 and H15. Drilling at Gladiator is confirming the eastern down-plunge extension of the Main end North zones. Several recently discovered "north-dipping" mineralized zones similar to the Barbeau Zone and the western Rivage zones are currently being modelled. A high-grade gold mineralized vein was discovered at the Panache property following surface mapping and channel sampling. A small drilling program was completed at Panache totalling 1,306 m to test the new high-grade gold mineralized vein discovered. Drilling at Duke and along the cross-regional corridors in the Moss and Barry north area is completed. Drilling results are pending since assay priority was given to the "MRE" drilling and are expected to be completed by early June 2021.

The Bachelor assay lab is operational and compliant with the Company's Covid-19 health and safety protocols. The drill core sampling and assaying backlog stands at about one month and the Company is diligently working to significantly reduce this backlog. The Company continues to develop and update block models for the Gladiator, Barry, and Moroy deposits. The extent and timing of future model updates will be dependent on the amount of winter drilling accomplished.

The Company recently staked 231 claims near the Bachelor-Moroy area. This newly added greenfield land package, called "Desmaraisville" is located north and west of the Bachelor mine. These new areas are underexplored and lie along an east-northeast regional fault trend within a folded complex with several historic gold occurrences to the northeast. A high-resolution airborne magnetic survey was completed in July 2020. This new area will undergo a regional compilation followed by a mapping and prospecting program in spring 2021.

The Company continues the work on permitting and engineering for expansion of the Bachelor mill and tailings facility. Subsequent to December 2020, the company submitted answers to the Environmental and Social Impact Review Committee (or COMEX) to provide more details from the geotechnical drilling that was completed during the summer of 2020 to test the soil type under the location of a future dyke. These results will be incorporated into the detailed tailings expansion design. In addition, the Company continues to make progress to obtain the regulatory approval for an exploration decline at the Gladiator project.

COVID-19

As the global pandemic related to COVID-19 continues, Bonterra has implemented a plan to protect the health and safety of its employees and all stakeholders. The Company had implemented alternative working arrangements for all employees to work from home and temporarily closed all of its offices and placed its

exploration camps on care and maintenance. During the year, health and safety procedures related to COVID-19 were submitted to the Quebec public health authorities, the Cree Nation government, and the Cree First Nation of Waswanipi. On June 30, 2020, these procedures were approved, and the Company resumed the exploration activities on its properties.

The Company's operational activities were particularly affected due to the inability of staff to travel due to the non-essential travel restrictions, especially to and from of the Company's exploration sites. Suppliers of services to the Company are also affected and this often lead to delays in the provision of data and services to Company. In an effort to preserve cash and due to reductions in operational activities, the Company had in some instances, temporarily suspended employment of several staff members. In July 2020, once the Company implemented COVID-19 procedures, the majority of staff members that were temporarily suspended, returned to work.

The Company continues to monitor the COVID-19 related situation and will adjust our procedures to comply with the guidelines of the public health authorities.

DESCRIPTION OF BUSINESS

The Company was incorporated under the laws of the province of British Columbia on May 1, 2007. The Company's common shares are traded on the TSX Venture Exchange ("**TSX-V**") under the symbol "BTR". The Company's shares also trade on the OTC Exchange in the United States under the symbol "BONXF" and on the Frankfurt Stock Exchange under the symbol "9BR2".

The Company is a junior mineral exploration company engaged in the business of acquiring, exploring and evaluating natural resource properties in the province of Quebec.

On January 1, 2020, the Company amalgamated the parent Company with its wholly owned subsidiary Metanor Resources Inc. ("**Metanor**"). This amalgamation was done for administrative purposes and had no material impact on the Company's consolidated financial statements.

ABOUT THE MINERAL PROPERTIES

The Abitibi Greenstone Belt hosts significant gold mineralization in several parallel NE to SW trending zones. Gold in the Urban-Barry Township is primarily associated with quartz-carbonate veins mineralized with sulphides. The Company's main projects include the Gladiator, Moroy and Barry deposits, and the 100% owned Bachelor Mill.

Bonterra's recent acquisition of Metanor and consolidation of the Company's databases and management have resulted in broader exploration and resource development plans. Bonterra prepared mineral resource estimates in accordance with NI 43-101, for all its advanced Urban-Barry exploration assets, being the Gladiator, Barry and Moroy deposits.

The results of the mineral resource estimates for the Gladiator, Barry, and Moroy deposits are summarized in Table 1. The mineral resource estimates for the Gladiator and Barry deposits are reported at a 3.5 g/t Au cut-off grade. The Mineral Resource Estimate for the Moroy deposit is reported at a 3.0 g/t Au cut-off grade. The resource models are tabulated at various cut-off grades in Table 2, 3 and 4 below. The mineral resource estimates have been prepared by SGS, and have been reviewed internally by the Corporation. The technical reports are available on SEDAR (www.sedar.com) under the Corporation's issuer profile. The effective date of the current mineral resource estimates is May 24, 2019 for the Barry and Gladiator deposits. The effective date of the current mineral resource estimates is May 6, 2019 for the Moroy deposits. The report date is July 11, 2019 for all three projects, and was posted on July 12, 2019 on SEDAR.

Table 1. Mineral Resource Estimate (effective May 24, 2019)

Deposit	Measured			Indicated			Inferred		
	Tonnes	Au (g/t)	Ounces Au	Tonnes	Au (g/t)	Ounces Au	Tonnes	Au (g/t)	Ounces Au
Gladiator				743,000	8.46	202,000	3,065,000	9.10	897,000
Barry				2,052,000	5.84	385,000	2,740,000	5.14	453,000
Moroy	302,000	5.66	55,000	365,000	4.77	56,000	396,000	4.32	55,000
Total	302,005	5.66	55,000	3,160,000	6.33	643,000	6,201,000	7.04	1,405,000

1. The classification of the current mineral resource estimates into Measured, Indicated and Inferred are consistent with current 2014 CIM Definition Standards - For Mineral Resources and Mineral Reserves.
2. Mineral resources which are not mineral reserves do not have demonstrated economic viability. An Inferred Mineral Resource has a lower level of confidence than that applying to a Measured and Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.
3. All figures are rounded to reflect the relative accuracy of the estimate. Composites have been capped where appropriate.
4. Resources are presented undiluted and in-situ and are considered to have reasonable prospects for economic extraction. In order to meet this requirement, the Gladiator, Barry and Moroy deposits mineralization are considered amenable for underground extraction.
5. Underground mineral resources are reported at a cut-off grade of 3.5 g/t Au for Gladiator and Barry, and 3.0 g/t Au for Moroy. Cut-off grades are based on a gold price of US\$1,300 per ounce, a foreign exchange rate of US\$0.75, gold recoveries of from 93% to 95%, and reasonable mining, processing and transportation costs.
6. High grade capping was done on composite data. Capping values of 30 to 55 g/t Au were applied to all 3D grade controlled wireframe models. A fixed specific gravity value of 2.82 was used to estimate the tonnage from block model volumes for Moroy and Barry, and 2.78 for Gladiator.
7. The mineral resource estimates for Barry and Moroy are exclusive of material that has been mined.

Table 2. Gladiator Mineral Resource Estimate tabulated at various cut off grades

Cut-off (Au g/t)	Indicated			Inferred		
	Tonnes	Au (g/t)	Ounces Au	Tonnes	Au (g/t)	Ounces Au
2	1,244,000	6.13	245,000	5,079,000	6.53	1,067,000
2.5	1,019,000	6.99	229,000	4,162,000	7.48	1,001,000
3	859,000	7.78	215,000	3,511,000	8.35	943,000
3.5	743,000	8.46	202,000	3,065,000	9.10	897,000
4	653,000	9.10	191,000	2,696,000	9.83	852,000

Values in this table are reported to illustrate the sensitivity of the block model to cut-off grade relative to the base case resource estimate. The Gladiator property's resource estimate is based on a cut-off grade of 3.5 g/t Au (see Table 1) and values presented here above and below the base case should not be interpreted as a mineral resource statement.

Table 3. Barry Mineral Resource Estimate tabulated at various cut-off grades

Cut-off (Au g/t)	Indicated			Inferred		
	Tonnes	Au (g/t)	Ounces Au	Tonnes	Au (g/t)	Ounces Au
2	4,507,000	4.11	595,000	5,716,000	3.87	712,000
2.5	3,449,000	4.67	518,000	4,577,000	4.28	630,000
3	2,662,000	5.25	449,000	3,675,000	4.66	551,000
3.5	2,052,000	5.84	385,000	2,740,000	5.14	453,000
4	1,587,000	6.47	330,000	2,127,000	5.54	379,000

Values in this table are reported to illustrate the sensitivity of the block model to cut-off grade relative to the base case resource estimate. The Barry property's resource estimate is based on a cut-off grade of 3.5 g/t Au (see Table 1) and values presented here above and below the base case should not be interpreted as a mineral resource statement. Mineral resources are exclusive of material that has been mined.

Table 4. Moroy Mineral Resource Estimate tabulated at various cut-off grades

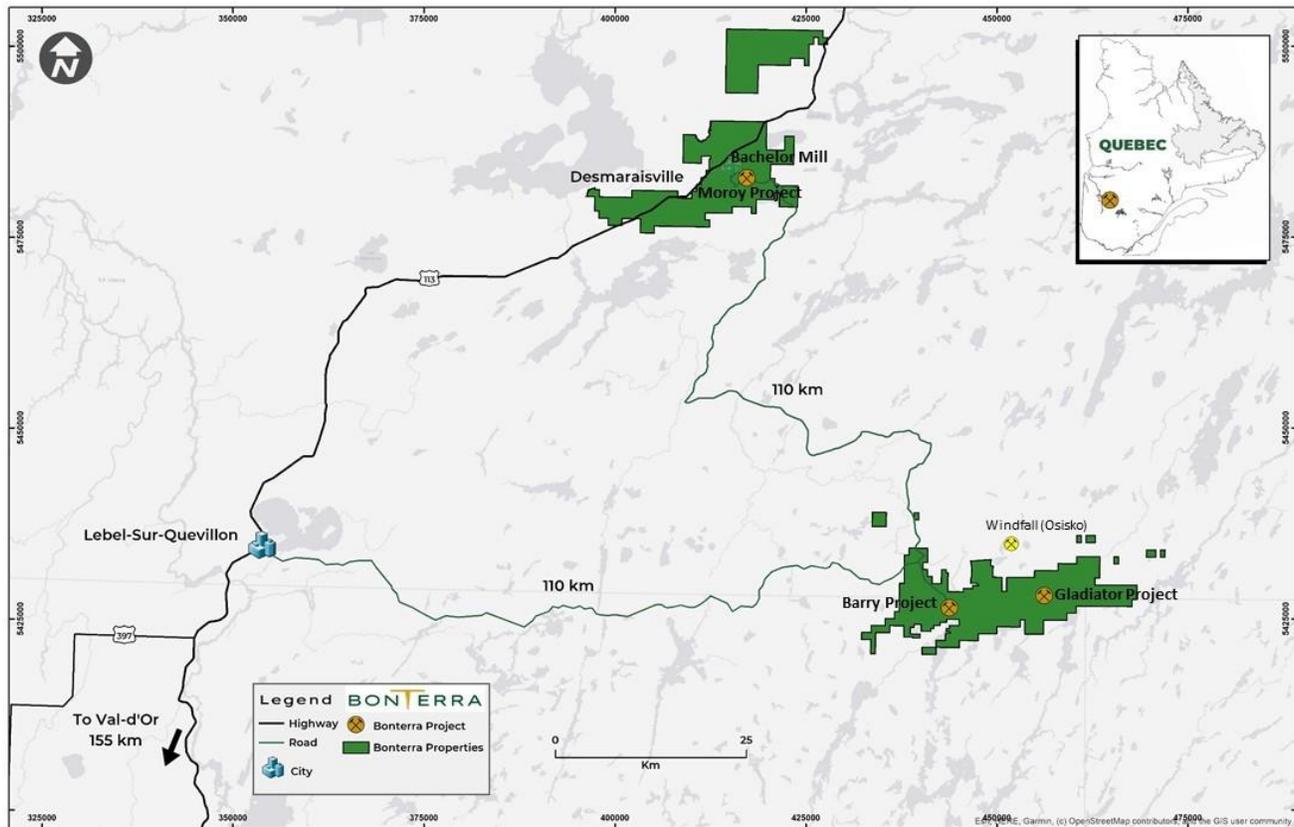
Cut-off (Au g/t)	Indicated			Inferred		
	Tonnes	Au (g/t)	Ounces Au	Tonnes	Au (g/t)	Ounces Au
2	1,017,004	4.25	139,000	701,000	3.55	80,000
2.5	840,004	4.70	127,000	563,000	3.87	70,000
3	667,005	5.17	111,000	396,000	4.32	55,000
3.5	531,005	5.68	97,000	271,000	4.93	43,000
4	432,006	6.19	86,000	202,000	5.23	34,000

Values in this table are reported to illustrate the sensitivity of the block model to cut-off grade relative to the base case resource estimate. The Moroy project’s resource estimate is based on a cut-off grade of 3.0 g/t Au (see Table 1) and values presented here above and below the base case should not be interpreted as a mineral resource statement. Mineral resources are exclusive of material that has been mined.

The mineral resources identified will allow Bonterra to accelerate the development of the three deposits simultaneously, to optimize feed to the Bachelor Mill over their projected mine life.

BONTERRA EXPLORATION PROPERTIES

Below is a Map of the Company’s main exploration projects in Quebec.



Urban-Barry Camp

Gladiator Deposit

The Gladiator deposit is located 12 km east of the Barry deposit, and 8 km south-east of the Windfall deposit. The mineralized shear zones are located near the shore of Lac Barry. The Company is in the permitting process with Quebec's Ministry of Environnement et de la Lutte contre les changements climatiques ("MELCCC") to begin the excavation of an exploration decline down 100 metres below surface in order to provide the ability to drill the Gladiator deposit year round.

Barry Deposit

The Barry deposit is located on one mining lease, and permitted for mineral extraction of up to 1.2 millions tonnes in underground and/or surface mining methods. Initial mine development access and bulk sampling, with decline and cross cut development is completed to 100 metres below surface. Recent drilling has resulted in the expansion of high-grade areas down plunge at each known strike extent. Bonterra expects to rapidly increase the size of the Barry deposit especially at depth, given that very little drilling has previously taken place below 300 m depth over a one kilometre strike length.

DUKE PROPERTY

On July 6, 2018, the Company entered into an agreement with Beaufield Resources Inc., which subsequently amalgamated with Osisko Mining Inc., to acquire a 70% interest in the Duke property, located in Québec. In consideration, the Company must make payments as follows:

- Cash payment of \$250,000 (paid) and issue 400,000 common shares of the Company (issued on July 12, 2018 and valued at \$1,600,000) upon acceptance by the TSX-V;
- An additional \$250,000 (paid) on or before July 6, 2019; and
- An additional \$250,000 (paid) on or before July 6, 2020.

The Company must also incur exploration expenditures as follows:

- \$1,500,000 (completed) on or before July 6, 2019;
- An additional \$1,500,000 (completed) on or before July 6, 2020; and
- An additional \$1,500,000 (completed) on or before July 6, 2021.

The property consists of 81 contiguous mineral claims covering a total area of 3601.61 ha located immediately adjacent to the northern boundaries of the Company's Urban-Barry properties containing the Gladiator deposit and extensions. This includes a narrow inset of claims that in the western portion of the property denoted as "The Gap". This property also contains numerous gold showings with expansion potential, including Lac Rouleau and Zone 18. The generalical setting is considered to be similar to that of the Gladiator property, with numerous occurrences of structurally controlled shear hosted vein mineralization on or near mafic volcanic contacts in proximity to both felsic and mafic intrusive units.

URBAN-BARRY PROPERTY

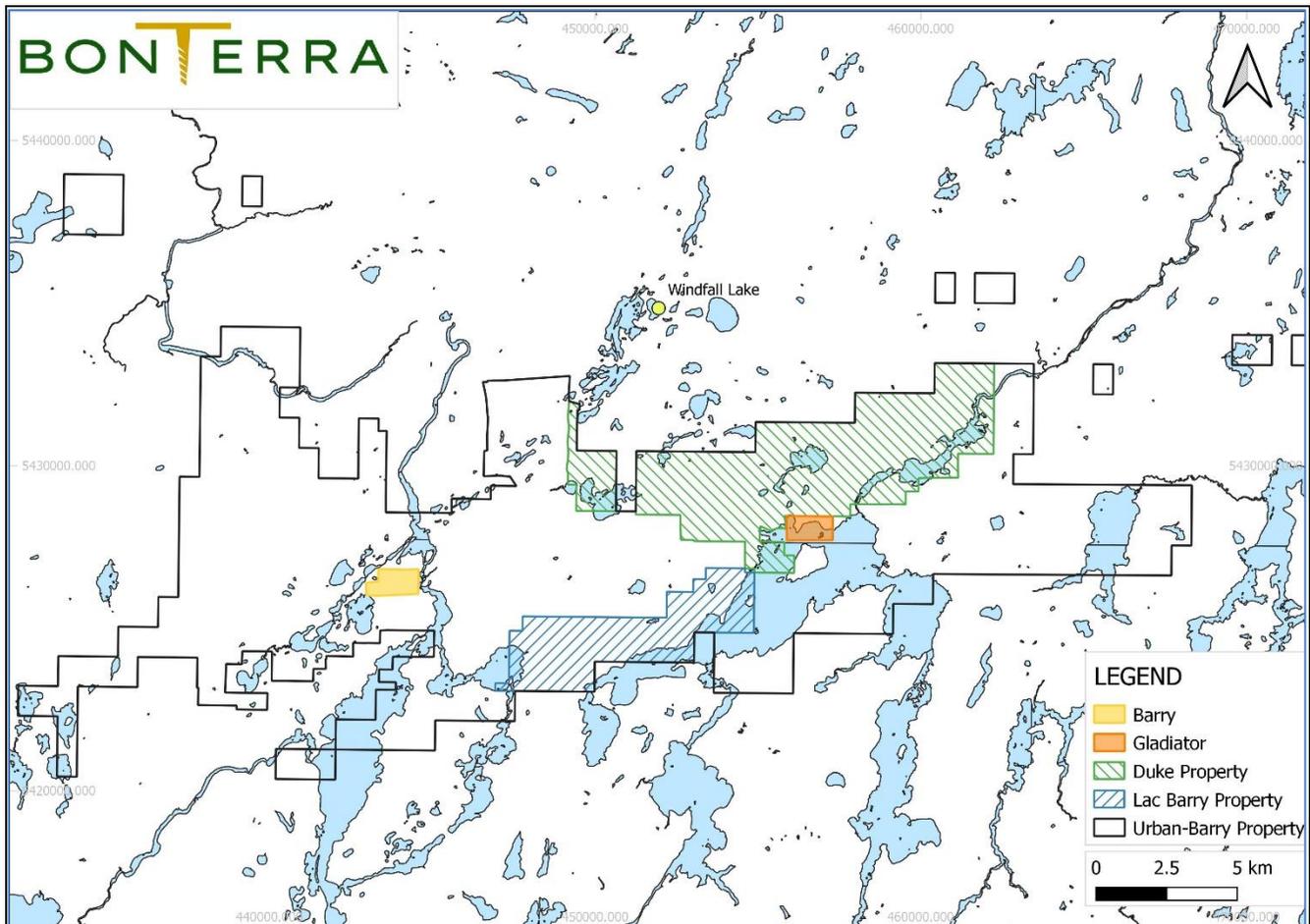
The Company holds a 100% interest in 379 mineral claims covering 17,373.65 hectares ("ha") in the Urban-Barry township approximately 110 km east from the town of Lebel-sur-Quévillon in Québec. In addition to the 379 mineral claims, the Company also holds 100% interest in one mining lease where the Urban-Barry property is located. The Gladiator project is also located in the Urban-Barry property.

On March 9, 2020, the Company entered into a purchase agreement and acquired nine new claims covering an area of 508 ha, contiguous with the Company's Urban-Barry properties located approximately 10 km southwest of the Barry deposit. To acquire the property, the Company made a cash payment of \$10,000. These 9 claims are included in the 379 mineral claims.

In March 2019, the Company entered into an option agreement to acquire a right to a new property called Panache, consisting of one mining claim covering an area of 56 ha, located 20 km north of the Barry property. The Company acquired the property by making a cash payment of \$25,000 (paid on March 28, 2019) and issued 10,000 common shares (issued on March 28, 2019 and valued at \$19,500) on closing, to the arm's length vendors and an additional cash payment of \$50,000 (paid on March 19, 2020) and 15,000 common shares (issued on March 19, 2020 and valued at \$11,400) before the one-year anniversary of the agreement. Following the March 2020 payment, the Company acquired 100% interest into the mineral claim. This claim is included in the 379 mineral claims listed above.

LAC BARRY PROPERTY

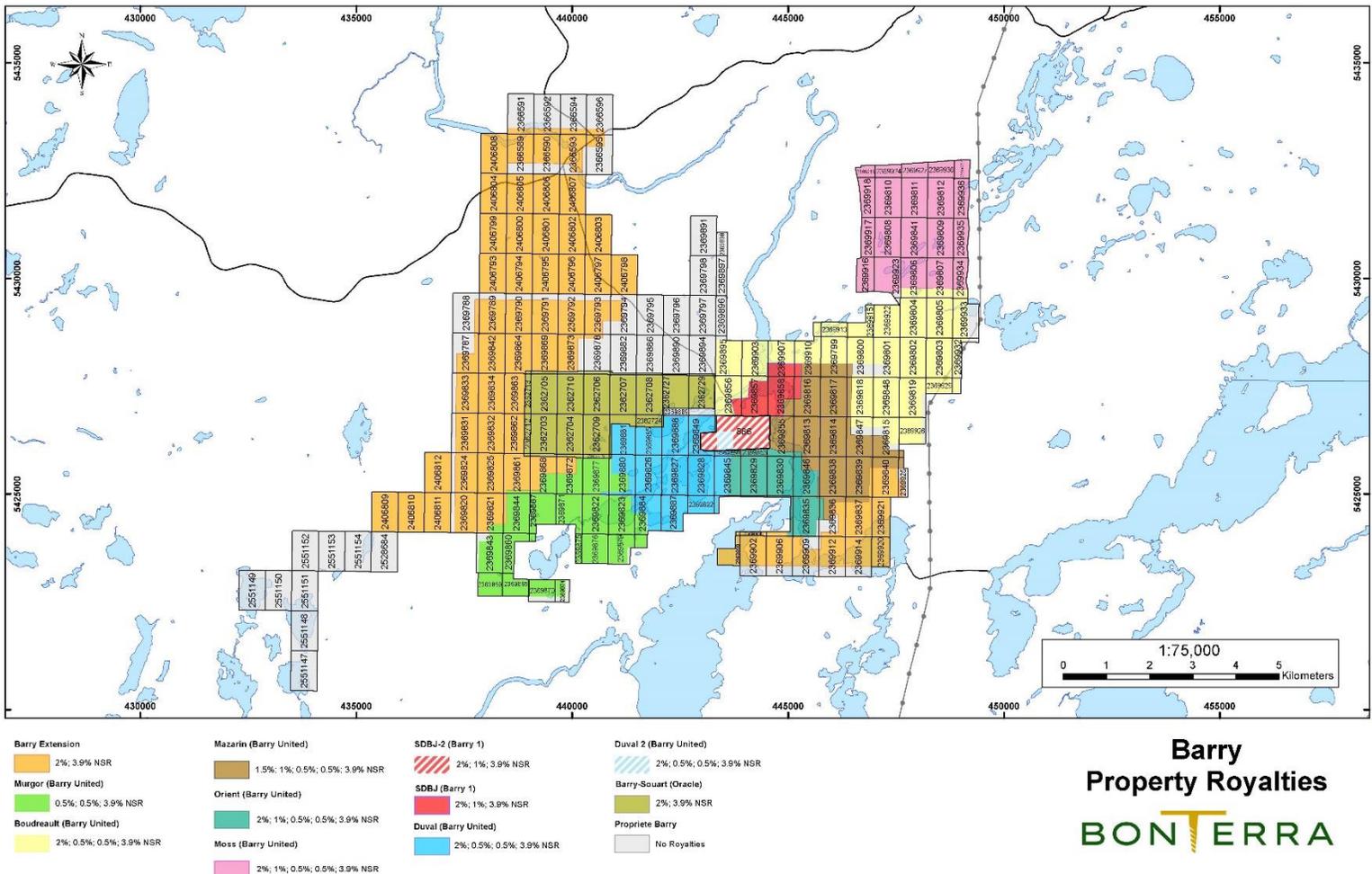
On March 10, 2016, and as amended March 30, 2017, the Company entered into an option agreement with Golden Valley Mines Ltd. ("**Golden Valley**") and acquired an 85% interest in Golden Valley's Lac Barry property, comprised of 35 mineral claims covering 1,431.65 ha adjacent to the south boundary of the Urban-Barry property. In February 2020, the Company agreed to a joint venture agreement with Golden Valley for the purpose of future exploration on the property.



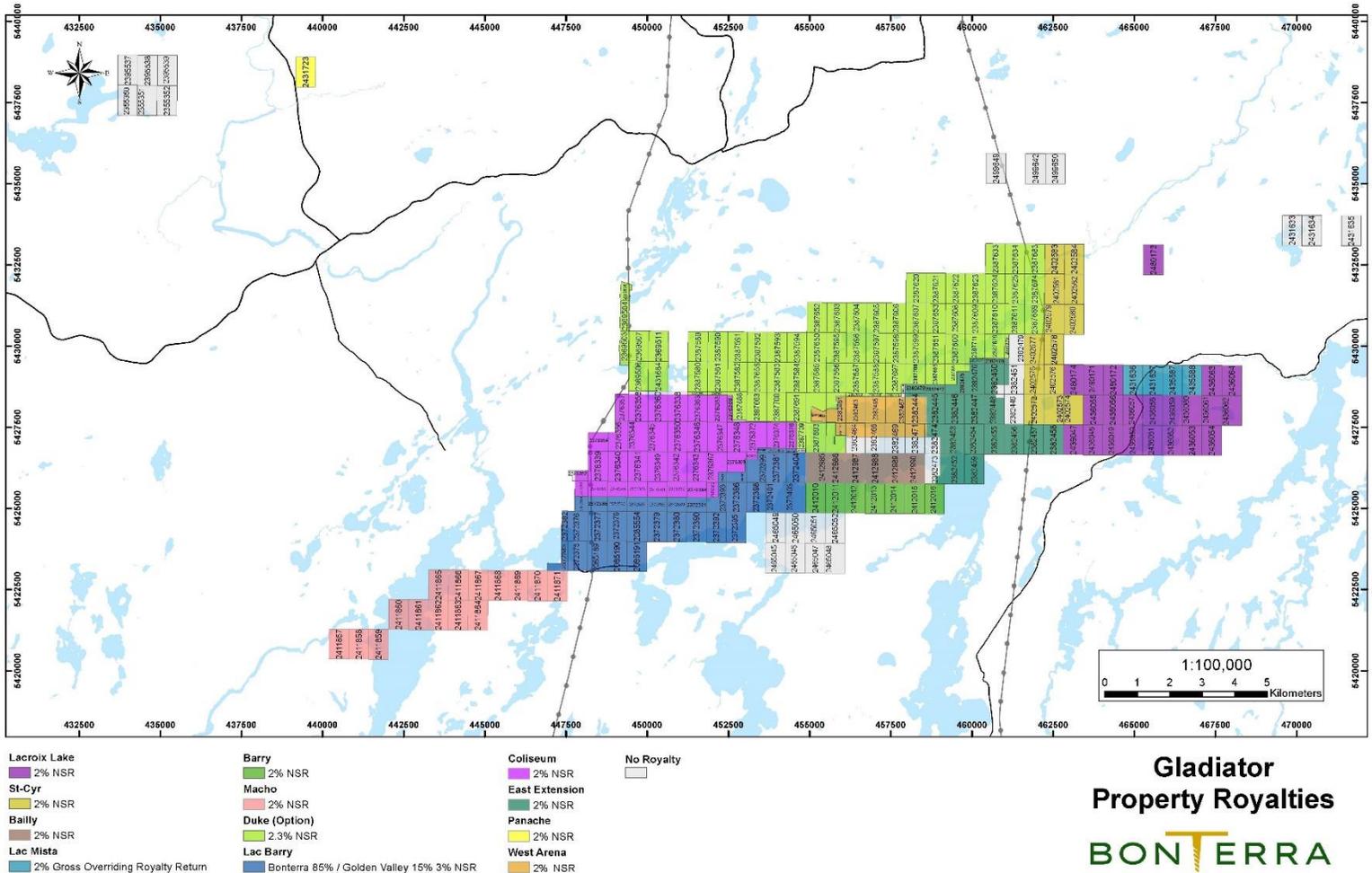
Above is a Map of the Company's projects in the Urban-Barry Camp in Quebec.

Some of the Company's Barry mineral properties are subject to a net smelter returns royalty ("**NSR**"). These NSR's may have various purchase options in which the Company may be able to reduce the NSR % for a cash payment.

On September 29, 2017, the Company entered into an amending agreement with Sandstorm Gold Ltd. (“Sandstorm”), effectively reducing the existing gold stream on the Bachelor mine (which required the Company to sell 20% of its gold production at the fixed price of US \$500) and replacing it with a 3.9% NSR on all minerals produced from the Bachelor and Barry properties (including the surrounding exploration properties held by Metanor at September 29, 2017). The amending agreement has a buyback provision whereby 2.1% of the NSR can be repurchased upon payment of US \$2M for each property, thereby reducing the NSR to 1.8%.



Above is a map of the Company’s NSR’s on the Barry properties in the Urban-Barry Camp in Quebec.



Above is a map of the Company's NSR's on the Gladiator property in the Urban-Barry Camp in Quebec.

Bachelor Camp

Moroy Deposit

The Moroy deposit is a recent discovery near the Bachelor Mill with access via the Bachelor Mine underground infrastructure. Current development consists of three sub-drifts and a series of raises, accessed from the 11th level and 14th level at the Bachelor Mine. Extensive drill information exists from 475 holes totalling 115894 metres from surface and underground at the 11th level to a depth of approximately 800 metres below surface, confirming the existence of multiple unmined mineralized zones.

DESMARAVISVILLE PROPERTY

The Company holds a 100% interest in 436 mineral claims covering 22,779.32 ha surrounding the town of Desmaraisville. Above the 436 claims, the company holds 100% interest in 1 mining concession, and 1 mining lease where the Bachelor Mine and mill are located. The Moroy project is immediately south, and outside the Bachelor mining lease.

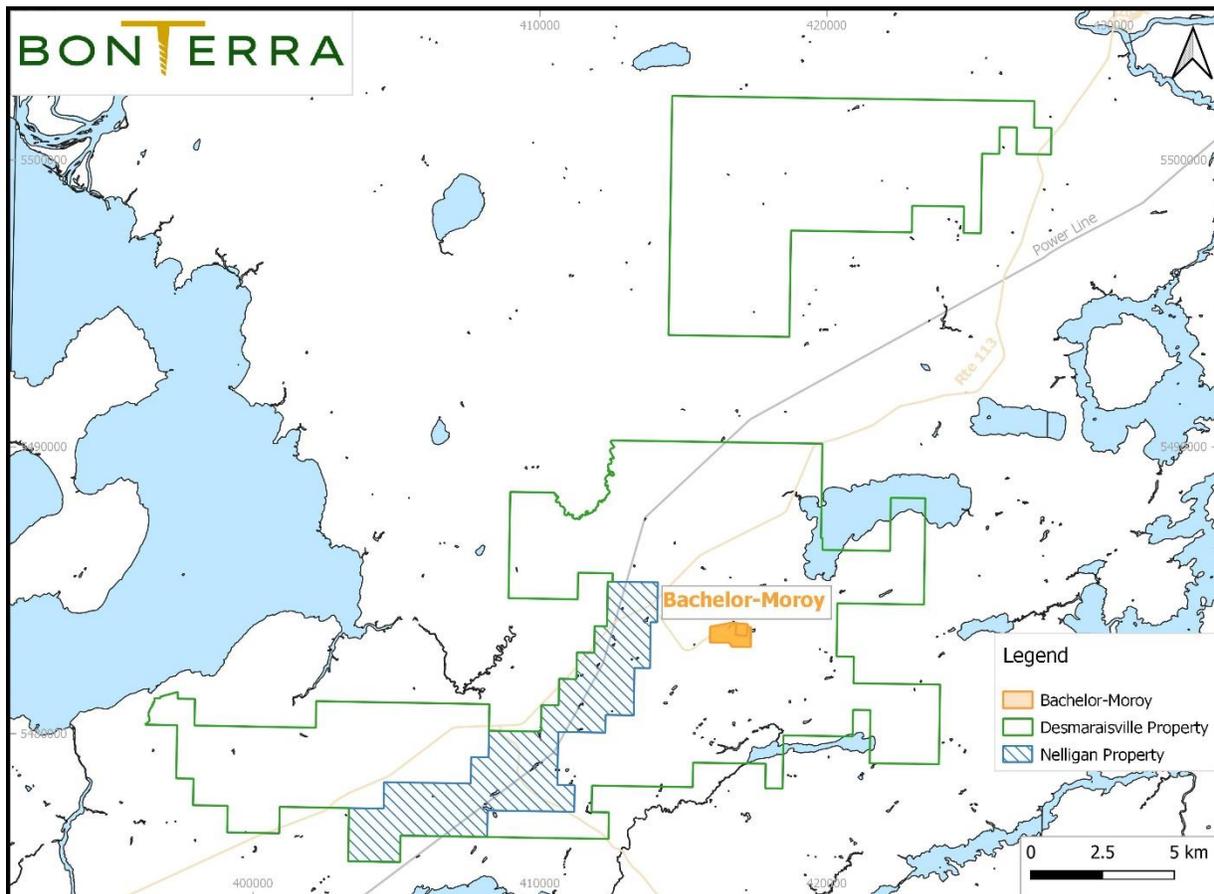
In 2020, the Company staked 231 claims north and west of the Bachelor mine, and are included in the 436 claims listed above.

Bachelor Mine

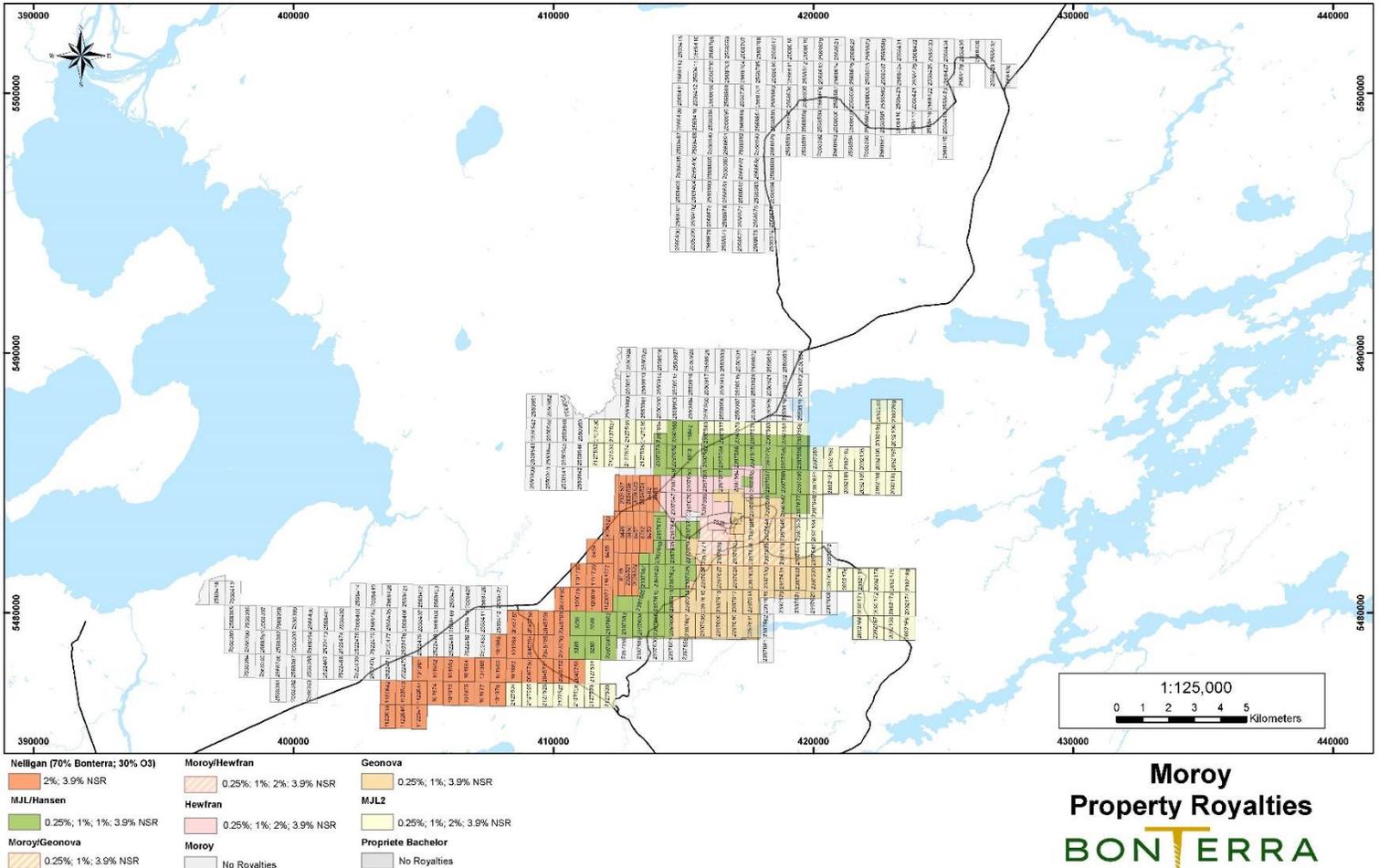
The Bachelor Mine is located on 1 mining concession, and 1 mining lease, 4 km south of Highway 113 and 90 km northeast of the city of Lebel-sur-Quévillon, Québec, Canada. The mine is connected to the provincial electrical grid and has access to high-speed internet and mobile phone service on site. The mine has a modern camp facility for all of the workers. The mill and tailing facility are fully functional with the required permits and regulatory approvals. The Bachelor Mine infrastructure is currently being used to access the Moroy deposit. There is currently no mineral reserves left to mine. The mineralization from the Main vein continues at depth under the mined out stopes. Further exploration drilling is required to evaluation the potential of a mineral resource.

Bachelor Mill

The Bachelor Mill is the only permitted mill in the region, and connected to the power grid, with more than 15 high-grade gold deposits within a 110 km radius of the mill site. The mill is accessible by a paved highway with a network of logging gravel roads linking the other properties in the area to feed the mill. Bonterra began the environmental assessment process in 2017 to proceed with the mill expansion project in order to increase the daily production capacity of the Bachelor Mill from 800 tonnes per day (“tpd”) to 2,400 tpd, and to increase the total capacity of the tailing storage facility to 8 millions tonnes. In October 2019, the company submitted an environmental assessment of the mill expansion project to the MELCCC. In 2020, the MELCCC sent a series of questions related to the mill expansion project to which the Company has responded and is awaiting any further comments from the MELCCC.



Above is a Map of the Company's projects in the Bachelor Camp in Quebec.



Above is a Map of the Company's NSR's on the Bachelor Camp projects in Quebec.

OTHER PROPERTIES

DUBUISSON PROPERTY

The Company holds a 100% interest in 21 mineral claims in the city of Val-d'Or in Québec covering 457.53 ha. The claims are adjacent to the Goldex mine owned, and operated by Agnico-Eagle Mines Limited.

WAHNAPITEI PROPERTY

The Company holds a 90% interest in 2 mining leases north of the town of Skead within the city of Greater Sudbury in Ontario. The 2 mining leases cover an area of 129.99 ha.



**REPORT FOR THE THREE MONTH PERIOD
ENDED MARCH 31, 2021
MANAGEMENT DISCUSSION AND ANALYSIS –
QUARTERLY HIGHLIGHTS**

ADDITIONAL DISCLOSURE FOR VENTURE COMPANIES WITHOUT SIGNIFICANT REVENUE

Total for all Projects

	Three Month period ended March 31, 2021	Year ended December 31, 2020
Exploration and evaluation expenditures in the period		
Drilling and assays	\$ 2,886,480	\$ 9,492,051
Depreciation	300,000	1,306,000
Geological, consulting and wages	1,821,618	5,558,287
Camp costs, travel and other	1,532,512	7,037,639
Environmental	146,371	410,889
Surface and underground upkeep	810,626	210,904
Bulk sample	(883,679)	(992,629)
Technical studies	39,000	-
Acquisition costs	-	321,400
Tax recoveries	-	(4,529,345)
	\$ 6,652,928	\$ 18,815,196

Moroy Project

	Three Month period ended March 31, 2021	Year ended December 31, 2020
Drilling and assays	\$ 646,454	\$ 1,307,265
Depreciation	151,000	663,000
Geological, consulting and wages	934,325	2,969,179
Camp costs, travel and other	555,819	3,584,876
Environmental	68,618	300,188
Surface and underground upkeep	810,626	210,904
Bulk sample	(883,679)	(992,629)
Technical studies	13,000	-
	\$ 2,296,163	\$ 8,042,783

Barry Project

	Three Month period ended March 31, 2021	Year ended December 31, 2020
Drilling and assays	\$ 1,043,088	\$ 3,470,284
Depreciation	29,000	120,000
Geological, consulting and wages	456,195	1,398,605
Camp costs, travel and other	592,945	1,954,868
Environmental	5,225	63,334
Technical studies	13,000	-
Tax recoveries	-	(1,181,815)
	\$ 2,139,453	\$ 5,825,276

Gladiator and Duke Project

	Three Month period ended March 31, 2021	Year ended December 31, 2020
Drilling and assays	\$ 923,779	\$ 3,553,408
Depreciation	120,000	523,000
Geological, consulting and wages	343,178	1,078,933
Camp costs, travel and other	346,036	1,251,591
Environmental	72,528	47,366
Technical studies	13,000	-
Acquisition costs	-	250,000
Tax recoveries	-	(3,347,530)
	\$ 1,818,521	\$ 3,356,768



**REPORT FOR THE THREE MONTH PERIOD
ENDED MARCH 31, 2021
MANAGEMENT DISCUSSION AND ANALYSIS –
QUARTERLY HIGHLIGHTS**

Other Projects

	Three Month period ended March 31, 2021	Year ended December 31, 2020
Exploration and evaluation expenditures in the period		
Drilling and assays	\$ 273,159	\$ 1,161,094
Geological, consulting and wages	87,920	111,570
Camp costs, travel and other	37,712	246,305
Acquisition costs	-	71,400
	\$ 398,791	\$ 1,590,369

SELECTED ANNUAL AND QUARTERLY INFORMATION

The following tables summarize selected annual financial data of the Company for the three month period ended March 31, 2021, year ended December 31, 2020 and seven month period ended December 31, 2019:

	Three Month period ended March 31, 2021	Year ended December 31, 2020	Seven Month period ended December 31, 2019
Recurring revenue	\$NIL	\$NIL	\$NIL
Net loss and comprehensive loss	7,578,623	20,682,672	17,576,707
Basic and diluted loss per share	0.08	0.26	0.25
Total assets	48,359,747	56,216,358	65,470,444
Total current liabilities	5,888,471	6,244,007	11,915,594

SELECTED QUARTERLY INFORMATION

Results for the eight most recently completed quarters are summarized below:

	Three Months March 31, 2021 \$	Three Months December 31, 2020 \$	Three Months September 30, 2020 \$	Three Months June 30, 2020 \$
For the Quarters Ending				
Exploration expenses	6,652,928	5,499,721	6,629,390	(2,527,411)
(Income) Loss for the period	7,578,623	5,904,988	7,957,148	(1,946,696)
Basic and diluted (income) loss per share	0.08	0.07	0.10	(0.03)
Total assets	48,359,747	56,216,358	47,032,093	52,205,295
Total current liabilities	5,888,471	6,244,007	5,654,247	5,561,279

	Three Months March 31, 2020 \$	Three Months December 31, 2019 \$	Four Months September 30, 2019 \$	Three Months May 31, 2019 \$
For the Quarters Ending				
Exploration expenses	9,213,496	5,357,851	6,508,526	9,722,814
Loss for the period	8,767,232	8,619,400	9,407,307	5,251,167
Basic and diluted loss per share	0.11	0.11	0.14	0.09
Total assets	56,639,391	65,470,444	71,797,358	57,944,178
Total current liabilities	11,879,290	11,915,594	13,983,502	16,571,520

OVERALL PERFORMANCE

During the three months ended March 31, 2021, the Company reported a net loss of \$7,578,623 compared to a net loss in 2020 of \$8,767,232. Variations in expenses from the three month period ended March 31, 2021 to 2020 are as follows:

- Exploration and evaluation of \$6,652,928 (2020 - \$9,213,496). Exploration expenditures were higher in 2020, as the Company was required to meet its FT Shares commitments from 2019 flo2-through raises. In 2021, the Company had completed its FT Shares commitments. The Company expects to increase this level of exploration and evaluation expenditures in the coming quarter in order to meet its FT Shares obligations related to the April 2021 FT Shares financing;
- Professional fees increased to \$94,979 in 2021 from \$85,495 in 2020. The Company expects these professional fees to be consistent in the coming quarters;
- The Company incurred costs of \$137,566 in shareholder communications and investor relations as compared to \$89,197 in 2020 and \$5,828 in travel as compared to \$55,112 in 2020. The fluctuations are due to less travel as a result of COVID-19. This has led to more marketing, communications and investor relations via virtual conferences and other non-in-person formats. The Company expects these shareholder communications and investor relations costs to be consistent in the coming quarters;
- Recovery of flow-through premium liability of \$nil (2020 - \$1,493,000) related to the reduction of the flow-through premium liability created by the issuance of FT Shares at a premium. The decrease was the result of qualified expenditures made by the Company during 2020 related to FT Shares;
- Mill care and maintenance of \$277,650 (2020 - \$336,175) is a significant reduction due to the Company completing its bulk sample in the current period. This bulk sample allowed the Company to utilize its mill and capture most of these costs under exploration in the current period. These costs are expected to increase in the second half of 2021; and
- The Company had share based payments expense of \$106,000 (2020 - \$Nil) for the three month period ended March 31, 2021. Share based payments expenses are booked based on the valuation of options using the Black-Scholes model. The expense varies based on the number of options issued and the underlying assumptions used in the model.

LIQUIDITY AND CAPITAL RESOURCES

The Company's cash position as at March 31, 2021 was \$5,668,334 compared to \$12,440,180 at December 31, 2020. Working capital was \$1,986,854 at March 31, 2021, compared to \$8,698,429 at December 31, 2020.

On April 7, 2021, the Company completed a brokered private placement for gross proceeds of \$17,472,300. The Company issued (a) 2,350,000 common shares of the Company at a price of \$1.05 per common share for gross proceeds of \$2,467,500, and (b) 10,420,000 FT Shares of the Company at a price of \$1.44 per FT Share for gross proceeds of \$15,004,800.

Notwithstanding success to date in acquiring equity financing on acceptable terms, there is no guarantee of obtaining future equity financings or on what terms any such equity capital may be available to the Company and, as such, alternative funding programs are also being pursued by the Company.

The Company must utilize its current cash reserves, funds obtained from the exercise of options and warrants, if any, and other financing transactions to maintain the Company's capacity to meet working capital requirements, and ongoing discretionary and committed exploration programs, and to fund any further development activities. The Company anticipates that it will raise additional capital when and if the opportunity arises.



**REPORT FOR THE THREE MONTH PERIOD
ENDED MARCH 31, 2021
MANAGEMENT DISCUSSION AND ANALYSIS –
QUARTERLY HIGHLIGHTS**

TRANSACTIONS WITH RELATED PARTIES

The following expenses were incurred with directors and officers of the Company:

For the three month period ended,	March 31, 2021		March 31, 2020	
Short-term compensation				
Exploration and evaluation expenditures	\$	-	\$	45,000
Salaries, management and director fees		110,000		189,000
Professional fees		60,000		60,000
		170,000		294,000
Share-based compensation		105,000		-
	\$	275,000	\$	294,000

Included in trade and other payables at March 31, 2021 was \$30,000 (December 31, 2020 - \$92,000) due to officers and or directors for expense reimbursements and unpaid fees. The amounts payable are non-interest-bearing, uncollateralized and are repayable on demand.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements.

PROPOSED TRANSACTIONS

None.

RISKS AND UNCERTAINTIES

The Company is engaged primarily in mineral exploration and manages related industry risk issues directly. The Company may be at risk for environmental issues and fluctuations in commodity pricing. Management is not aware of and does not anticipate any significant environmental remediation costs or liabilities in respect of its current operations; however, it is not possible to be certain that all aspects of environmental issues affecting the Company, if any, have been fully determined or resolved.

CONTINGENCIES AND COMMITMENTS

The Company had entered into agreements with officers and consultants that include termination and change of control clauses. In the case of termination and change of control, the officers and consultants are entitled to certain amounts payable. As at May 20, 2021, the Company had three of these types of agreements with officers of the Company that totaled annual base fees of \$505,000 and US\$60,000. In the case of termination, the officers are entitled to an amount equal to \$505,000 and US\$60,000 and in the case of a change of control of the Company, the officers under certain circumstances are entitled to an amount equal to \$505,000 and US\$60,000. During the year ended December 31, 2020, the Company terminated two of the four agreements outstanding during the year that called for a payment in the amount of \$565,000 in the case of termination and \$890,000 in the case of a change of control of the Company, for cash payments of \$445,000.

Flow-through obligations

As at March 31, 2021 and December 31, 2020, the Company had incurred all exploration expenditures in relation to its FT Shares financings. On April 7, 2021, the Company issued 10,420,000 FT Shares of the Company at a price of \$1.44 per FT Share for gross proceeds of \$15,004,800. The Company is required to renounce these amounts by December 31, 2021 and incur the expenditures no later than December 31, 2022.

Asset retirement obligations

On September 9, 2013, the MERN approved the update of the restoration plan of the Bachelor mine. The financial guarantee covering the restoration costs amount to \$4,000,104 which had been paid as at as at December 31, 2020 and as at March 31, 2021 was covered by insurance bonds, which the company has paid 40% collateral for the insurance bonds.

Bachelor-Moroy

A closure plan for the mill, tailing storage, and underground facilities at both Bachelor and Moroy is in good standing. A 30% collateral insurance bond is in place for the site. The closure plan is approved for the current mill, and the existing tailing storage at 800 tpd. Every five years a revised closure plan to MERN is required and it will be submitted in the coming months. Once the permit from the MELCCC for the the mill expansion to 2,400 tpd and the additional 8 millions tonnes tailing storage facility capacity is received, the Company will submit to MERN a revised closure plan. Once the revised closure plans are approved by the MERN, the bond will be adjusted to reflect the revised closure costs.

Barry

A closure plan for the underground and surface facilities at Barry is in good standing. A 30% collateral insurance bond is in place for the site. The closure plan is currently being revised to include the sleep camp built in 2018. Every five years a revised closure plan to MERN is required and will be submitted in the coming months. The revised closure plan is expected to be presented in the next few months to the MERN. Once the revised closure plan is approved by the MERN, the bond will be adjusted to reflect the revised closure costs.

OTHER INFORMATION

Additional information is accessible at the Company's website www.btrgold.com or through the Company's public filings at www.sedar.com.

MANAGEMENT'S RESPONSIBILITY

Management is responsible for all information contained in this Quarterly Highlights. The condensed consolidated interim financial statements for the three month periods ended March 31, 2021 and 2020 have been prepared in accordance with IFRS and include amounts based on management's informed judgments and estimates. The financial and operating information included in this Quarterly Highlights is consistent with that contained in the condensed consolidated interim financial statements for the three month periods ended March 31, 2021 and 2020 in all material aspects.

Management maintains internal controls to provide reasonable assurance that financial information is reliable and accurate and assets are safeguarded.

The Company's Audit Committee has reviewed the condensed consolidated interim financial statements for the three month periods ended March 31, 2021 and 2020 with management. The Board of Directors has approved these condensed consolidated interim financial statements for the three month periods ended March 31, 2021 and 2020 on the recommendation of the Audit Committee.

TECHNICAL INFORMATION

This Quarterly Highlights uses the terms measured, indicated, and inferred mineral resources as a relative measure of the level of confidence in the resource estimate. Readers are cautioned that mineral resources are not economic mineral reserves and that the economic viability of mineral resources that are not mineral reserves has not been demonstrated. The estimate of mineral resources may be materially affected by geology, environmental, permitting, legal, title, socio-political, marketing, or other relevant issues. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to an indicated or

measured mineral resource category. The mineral resource estimate is classified in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum's "CIM Definition Standards on Mineral Resources and Mineral Reserves" incorporated by reference into NI 43-101. Under Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or pre-feasibility studies or economic studies except for a preliminary economic assessment as defined under NI 43-101. Readers are cautioned not to assume that further work on the stated resources will lead to mineral reserves that can be mined economically.

The scientific and technical content in this Quarterly Highlights has been reviewed and approved by Mr. Pascal Hamelin, P.Eng., CEO of Bonterra and Marc Ducharme, P.Geo. and Bonterra's Exploration Manager, who are each a "qualified person" within the meaning of NI 43-101.