

Transition Metals Corp.
Management Discussion & Analysis
For the Six Months Ended February 28, 2022

INTRODUCTION

This Management's Discussion and Analysis ("MD&A") has been prepared based on information available to Transition Metals Corp. ("we", "our", "us", "Transition Metals", "TMC", "Transition" or the "Company") as of February 28, 2022 unless otherwise noted. The MD&A provides a detailed analysis of the Company's operations for the three and six months ended February 28, 2022 and should be read in conjunction with the unaudited condensed interim financial statements for the three and six months ended February 28, 2022 and 2021 and for the year ended August 31, 2021. This MD&A was prepared as of April 27, 2022.

The financial statements and related notes of Transition Metals have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The Company's reporting currency is the Canadian dollar, and all monetary amounts in this MD&A are expressed in Canadian dollars unless otherwise stated.

CAUTIONARY STATEMENT REGARDING FORWARD LOOKING INFORMATION

Except for statements of historical fact relating to Transition Metals certain information contained herein constitutes forward-looking information under Canadian securities legislation. Forward-looking statements include, but are not limited to, statements with respect to the Company's proposed acquisitions and strategy, development potential and timetable of the Company's properties; the Company's ability to raise required funds; future mineral prices; mineralization projections; conclusions of economic evaluation; the timing and amount of estimated future exploration and development; costs of development; capital expenditures; success of exploration activities; mining or processing issues; currency exchange rates; government regulation of mining operations; and environmental risks. Generally, forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made. Estimates regarding the anticipated timing, amount and cost of exploration activities are based on previous industry experience and regional political and economic stability. Capital and operating cost estimates are based on extensive research of the Company, recent estimates of exploration costs and other factors that are set out herein. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements, including but not limited to risks related to: unexpected events and delays during exploration and development; acquisition risks; regulatory risks; revocation of government approvals; timing and availability of external financing on acceptable terms; actual results of current exploration activities; changes in project parameters as plans continue to be refined; future prices of minerals; accidents, labour disputes and other risks of the mining industry. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements, except in accordance with applicable securities laws.

Historical results of operations and trends that may be inferred from this MD&A may not necessarily indicate future results from current project properties. Please see Risk Factors section of this MD&A. In particular, the current state of the global securities markets may cause significant fluctuations and/or reductions in the price of the Company's securities and render it difficult or impossible for the Company to raise the funds necessary to continue operations.

DESCRIPTION OF THE BUSINESS & BUSINESS OVERVIEW

Transition Metals is a publicly traded mineral exploration company. The Company's projects and their history are disclosed in press releases, technical reports and other continuous disclosure filings which may be viewed on the internet on the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com and on the Company's website at www.transitionmetalscorp.com.

Transition Metals Corp. is engaged in the acquisition and exploration of mineral exploration properties in Canada and the United States. The Company's registered office is 100 King Street West, 1 First Canadian Place, Suite 6200, Toronto, Ontario, M5X 1B8.

Transition Metals (XTM-TSX.V) is a multi-commodity exploration company using the project-generator business model. This approach maximizes shareholder exposure to discoveries and capital gain while minimizing shareholder equity dilution by selling interest in the projects rather than ownership in the Company. The Company has established funding partnerships with several companies that are earning an interest in a Transition Metals property by providing a blend of cash, shares and royalties, and committing exploration expenditures to advance the projects. The Company has developed a portfolio of base and precious metals projects in Ontario, British Columbia, Nova Scotia, Newfoundland & Labrador, and Saskatchewan with direct property ownership interest in approximately 963 km² mining land and share ownership interests in partner companies.

Key projects for the Company include: the Sunday Lake PGM discovery near Thunder Bay held through a Joint Venture with Impala Platinum Holdings Limited and Impala Canada Limited and the Maude Lake Nickel project near Schreiber, Ontario. Key investments for the Company include the Company's shareholdings in: Canadian Gold Miner Corp. (CGM) a private company which is focused on advancing the South Kirkland gold project, and SPC Nickel Corp (SPC), a public company which is focused on advancing the Lockerby East Ni-Cu-PGM project in Sudbury. In addition, the Company holds shares of publicly traded companies including Forum Energy Metals Corp., Nova Royalty Corp, Homerun Resources Inc., and Class 1 Nickel and Technologies Limited.

The business of exploration and mining involves a high degree of risk and there can be no assurance that the Company's exploration programs will result in profitable mining operations. The Company's business is dependent upon the discovery of economically recoverable mineral deposits, securing and maintaining title and beneficial interest in the properties, the ability to obtain the necessary financing to complete exploration, development and construction of a mine and processing facilities, obtaining certain government approvals to monetize its assets or generate profitable revenue from mining production. There can be no assurance that the Company will be able to raise sufficient funds as and when required.

The Company's financial statements are prepared on a going concern basis, which assumes the realization of assets and liquidation of liabilities in the normal course of the Company's business. The application of the going concern concept is dependent on the Company's ability to obtain financing to continue its operations.

The Company presently has no known quantifiable mineral deposits that justify exploitation, and activities completed by the Company constitute exploratory searches for economic mineral deposits.

OUTLOOK

The Company uses the Project Generator business model which involves the acquisition and sale of the projects identified and generated by the Company. The Company intends to continue to develop and advance its portfolio projects with the objective of attracting new funding partners to further leverage the Company's exposure while retaining the upside value that can come from the discovery of new mineral deposits.

Projects that the Company considers key to driving value into the next period include: the Sunday Lake PGM-Cu-Ni joint venture with Impala Platinum Holdings Limited (Implats) and Impala Canada Ltd. ("Impala Canada") near Thunder Bay, the Maude Lake Ni-Cu-Co-PGM project near Schreiber Ontario, the Jolly Gold

Project located south of Armstrong Ontario west of Lake Nipigon, and the Aylmer IOCG Cu-Au project near Sudbury.

It is anticipated that CGM will complete a public transaction in 2022.

INTERNAL QUALIFIED PERSON AND QUALITY CONTROL/QUALITY ASSURANCE

Greg Collins, P.Geo., Chief Operating Officer of the Company, is a Qualified Person as defined under National Instrument 43-101 and has reviewed and approved the technical information contained in this MD&A.

MINERAL PROPERTIES, ACTIVITY AND PLANS

CORPORATE ACTIVITIES

During the reporting period the Company was actively engaged in project generative research, property acquisitions and sourcing partners for its projects.

On September 21, 2021, Transition Metals announced that it has appointed Carmelo Marrelli, as the Company's Chief Financial Officer.

On April 6, 2022, the Company announced the results of the Annual and Special General Meeting of Shareholders held on February 24, 2022.

EXPLORATION HIGHLIGHTS

On October 4, 2021, the Company announced the results from the initial prospecting and sampling program on the claims forming part of the Gowganda Gold project. Results from grab samples returned high-grade, gold analyses of 18.6-269.0 g/t gold (Au) from one showing and the discovery of four new copper (Cu) showings ranging from 0.24- 2.30% Cu.

On October 19, 2021, the Company announced the results of its summer prospecting and sampling work on its Jolly Gold Property. Channel sampling within the historic Fat Beagle trench returned very high-grade zones of gold mineralization, with assays of up to 146.5 g/t Au over 0.41 m, and 24.4 g/t Au over 0.61 m. The best result from the 82 grab samples collected outside of the showing area returned was 1.35% Zn from an outcrop of sulphide facies iron formation.

On November 18, 2021, the Company announced that its summer 2021 prospecting programme resulted in the discovery of a new gold showing on the Cryderman property. The best value returned was 6.18 g/t Au from a total of 52 grab samples submitted for analysis. The new showing is associated with a 15-20 centimetre wide south-trending crack seal quartz-carbonate vein on the margin of a northwest-trending magnetic feature approximately 500 metres northwest along trend of the south-trending Queen Elizabeth vein where 2019 trenching results returned gold values up to 15.7 g/t Au over 0.49 metres.

On December 8, 2021 the Company disclosed results from an orientation Mobile Metal Ion (MMI) survey on its Jolly Gold property. The survey results highlight large, 300 m long, multi-element geochemical anomalies proximal to the Fat Beagle gold showing where channel sampling returned assays up to 146.5 g/t Au over 0.41 m, and 24.4 g/t Au over 0.61 m (see October 19th, 2021 news release). Additionally, 1.3 kilometres to the east, near historical Trench 2, 2020 grab sampling returned 3.96 g/t Au, 7.9 g/t Ag and 0.64% Cu (see November 24th, 2020 news release).

On February 1, 2022 the Company announced that it had sold its 100% interest in its 2,605 hectare Mongowin project to McFarlane Lake Mining Limited ("MFM"), a corporation that trades on the NEO Exchange under the symbol MFM. The property is located approximately 13 kilometres south of Espanola, Ontario and 70 kilometres southwest of Sudbury and is adjacent to MFM's past gold producing McMillan property. Pursuant to the purchase and sale agreement with MFM, Transition, received total consideration consisting of \$145,000 cash, \$500,000 worth of MFM stock and a 1.5% Net Smelter Return royalty (NSR)

from any commercial production from the Property. Additionally, beginning on the fifth anniversary of the Purchase Agreement, MFM will pay Transition advanced royalty payments of \$25,000 per year (in cash or common shares) to a maximum total of \$250,000 (in cash or shares). Lastly, upon the commercial production of mineral products from the Property, Transition will be entitled to a one-time payment of \$2,500,000.

TRANSITION PROPERTY HOLDINGS

The Company owns properties in several jurisdictions in Canada and is currently registered to conduct business in Ontario, Newfoundland and Labrador, Nova Scotia, British Columbia, the Northwest Territories, and Saskatchewan. As of February 28, 2022 the Company owned or held under option an ownership interest in mining properties totaling approximately 80,302 hectares (ha) (80.3 square kilometres) for purposes of conducting exploration and development activities. Individual projects expenditures for the period are summarized in the table at the end of this section.

Property Summary Table

XTM Properties

Projects	Properties Feb 28, 2022	Hectares Feb 28, 2022	Properties Nov 30, 2021	Hectares Nov 30, 2021	Properties August 31, 2021	Hectares August 31, 2021	Properties May 31, 2021	Hectares May 31, 2021	Properties Feb 28, 2021	Hectares Feb 28, 2021
Thunder Bay - Ni-Cu-PGM's	486	9,208	593	11,385	593	11,385	593	11,448	593	11,453
Saskatchewan Copper	19	18,969	19	18,969	18	18,854	19	18,969	12	16,658
Abitibi Gold - Ontario	762	12,074	762	12,034	762	12,034	763	12,053	530	7,820
Sudbury Cu-Gold - Ontario	336	7,732	336	7,732	458	9,748	458	9,786	461	9,793
Other	586	32,319	568	31,454	568	31,454	607	34,353	520	31,042
Totals	2,189	80,302	2,278	81,574	2,399	83,475	2,440	86,609	2,116	76,766

The number of properties listed in the tables above refers to the number of discrete mining titles that the Company holds an interest in and consists of a mix of individual mining claims, leases and patents. The Company's properties have been grouped into the following major project categories based on factors including geographic location, commodity focus and partnership agreements. An overview of the projects is presented below.

OVERVIEW OF PROJECTS

The Company has developed a portfolio of gold, copper, nickel and PGM projects with ownership interest in approximately 80.3 km² of property interest in 4 main focus areas as defined by region or commodity focus structure. These include: Thunder Bay (Ni-Cu-PGM's); Saskatchewan (Copper); Abitibi (Gold); and Sudbury Area (Copper/Gold). The Company seeks to advance exploration work in these focus areas by attracting funding partners through the sale of project ownership, as opposed to share capital. The Company has been successful in attracting and creating a number of key partnerships through which the Company continues to advance its interests, some of which are highlighted below.

THUNDER BAY NI-CU-PGM PROJECTS

The Company maintains an interest in 8 property groupings totaling 9,208 hectares consisting of the Sunday Lake (25% carried), Saturday Night (100%), Owl Lake (100%), Fraser Lake (100%), Revell (100%), Nabish Lake (100%), Wagner (100%) and Maude Lake (100%). The Owl Lake and Hele projects are subject to a 1.5% NSR held by Implats.

SUNDAY LAKE

The Sunday Lake platinum, palladium discovery is the successful outcome of a strategic alliance partnership between Transition and Implats that concluded in 2014. The property is located in northwestern Ontario, 25 km northeast of Thunder Bay and 25 km to the west of Clean Air Metals Inc., Thunder Bay North project (formerly known as Current Lake) and consists of 177 converted map-based claims and leased property totaling 3,042 ha covering a 3.5 km diameter circular magnetic anomaly associated with a large layered mafic-ultramafic intrusion. The intrusion is considered prospective for hosting platinum group metals or PGM's (platinum, palladium, and gold) as well as nickel and copper.

The Sunday Lake Project is currently subject to a Joint Venture agreement between the Company and Implats and Impala Canada. Under the terms of the agreement, Implats and Impala Canada collectively hold a 75% interest in the project and Transition holds a 25% free carried interest until the completion of a Feasibility Study at which time it will hold a 25% participating interest. Once a participating Joint Venture is formed, a party's interest would be diluted for non-participation in any program. If either party dilutes to 10% its interest would be converted to a 1.5% net smelter return royalty.

To date a total of 37,018 metres of drilling have been completed on the property targeting sulphide mineralization associated with the basal Marginal Zone. The most recent drilling has returned values of up to 41.2 metres grading 5.11 g/t combined PGM's (Pt+Pd+Au) including 15.8 metres grading 9.11 g/t PGMs representing some of the best grades and thickness for a deposit of this type in the world. During the reporting period no activity was reported.

SATURDAY NIGHT

In 2015, the Company staked a magnetic target comparable to the magnetic signatures of other 'Early Rift' intrusions in this area located approximately 16 kilometres west of its Sunday Lake discovery near Thunder Bay, Ontario. This target, named "Saturday Night", was highlighted by an airborne survey flown by the Ontario Geological Survey (OGS). On May 6, 2019, the Company announced the staking of an additional 235 hectares expanding its 100% owned land holdings to 1,414 hectares.

In November 2016, the Company completed one drill hole to test targets defined by the summer geophysical program. On January 23, 2017, the Company announced that it had intersected a platinum group element enriched mid-continental rift intrusion. Assays returned 6.25 metres averaging 1.07 g/t PGM's including a higher-grade section of 4.0 g/t PGM and 0.56% Cu over a core length of 0.30 metres near the interpreted base of a greater than 200-metre-thick sequence of early-rift intrusive rocks.

The Company has covered the property with an AMT/MT ground geophysical survey, similar to the approach taken by Impala Canada (formerly North American Palladium) at the nearby Sunday Lake project, to better define the extent and morphology of the Saturday Night intrusion which indicates that the extent of the prospective intrusion is extensive. In October of 2020, the Company assigned 1% NSR on the project to Nova Royalties Corp. During the reporting period the Company applied for permits to resume drilling on the property and plans to complete an airborne AMT survey over the property as soon as possible. During the reporting period the Company allowed some of the peripheral portions of the property to lapse. At the end of the reporting period, the Saturday Night project consisted of 63 mining claims for an estimated 1,081 hectares.

MAUDE LAKE

On December 3, 2018, the Company entered into an option agreement to acquire a 100% interest in the Maude Lake Ni-Cu-Co-PGM property located near Schreiber, Ontario. The property, approximately 15 km² in size covers a known high-grade magmatic Ni-Cu-Co-PGM showing where grab samples collected by Novawest Resources Inc. in 2002 were reported to have returned values of up to 6.23 % Ni and up to 2.48% Cu. Base metal sulphides occur as massive to vein-like and net-textured aggregates along the contact between a mafic-ultramafic intrusion to the south and granite to the north. The property also hosts a Cu-Zn-Ag surface showing measuring 120 by 180 metres that returned historic assays including 14.3 m @ 1.06% Cu (channel sample).

Pursuant to the terms of the option agreement, Transition earned a 100% interest in the property by issuing \$25,000 in cash (paid) and \$25,000 in shares (issued) to the Vendor over a 6-month period. The Vendor retains a 2.0% Net Smelter Return royalty (NSR) with Transition retaining the right to buy back 1.5% NSR for \$2.0 million.

In October of 2020, the Company assigned a 1% NSR on the project to Nova Royalties Corp. The Company is considering completing additional sampling and conducting geophysical surveys on the property.

On March 9, 2022, the Company completed a 350 line kilometre airborne Mag-EM (VTEM) survey over the property which was successful in highlighting large, untested conductive anomalies in close proximity to two known zones of mineralization. The Company has secured work permits to allow for a program of mechanical stripping and channel sampling which the Company expects to initiate in Q3.

Preliminary results from this survey have highlighted large, untested conductive anomalies in close proximity to two known zones of mineralization. Details of the survey will be reported when the final report is received by the Company. Two historical base metal showings are known to occur on the Property:

1) Maude Lake Showing (Ni-Cu-Co-PGM): located on the western portion of the Property and was exposed at surface for over 70 metres of strike by previous explorers in the 1970's. In 2019, Transition channel sampled portions of this exposure returning; 2.09 % Ni, 0.64 % Cu and 0.32 g/t PGM (Pt+Pd+Au) over 4.0 metres, 2.11 % Ni, 1.30% Cu and 0.45 g/t PGM over 1.4 metres and 1.15 % Ni, 0.93% Cu and 0.49 g/t PGM over 2.0 metres.

2) Ansell Lake Showing (Cu-Zn-Ag-Au): located on the eastern portion of the property and was exposed at surface in a series of eight historic trenches where an average assay of 1.06 % Cu was obtained from grab samples taken across a 14.3 metre wide trench. Interpretation of the survey data is ongoing to better understand the relationship between the conductive anomalies and the extent of the known mineralization for the purpose of expanded exploration targets

Figure 1: Location of the Maude Lake Property and Transition Metals Ni-Cu-PGM Projects



EVA KITTO

During the reporting period the Eva Kitto property was allowed to lapse.

REVELL (Ni-Cu-PGM)

The Revell property consists of 42 map staked cells for approximately 870 hectares located in Revell and Hyndman townships of the Kenora Mining District to cover a series of historic Ni-Cu-PGM showings around the margin of the Revell Batholith.

Subsequent to the end of the reporting period this property was allowed to lapse.

NABISH LAKE (NI-CU-PGM)

The Nabish Lake property consists of 12 map staked cells for approximately 255 hectares located in the Contact Bay Area of the Kenora Mining District. The properties were staked in 2018 to cover a magnetic feature associated with Nickel Copper showings.

In December of 2021, the Company entered into an Option Agreement to vend a 100% interest in the project to Heritage Mining.Ltd. (Heritage) in consideration of \$10,000 cash on signing, and \$10,000 cash and \$25,000 worth of Heritage shares within 1 year based on pricing and timing tied to a planned go public listing event for Heritage.

SEDIMENTARY COPPER - SASKATCHEWAN

WOLLASTON COPPER

On May 22, 2019, the Company announced that it had staked a 100% interest in approximately 15,144 hectares in the Wollaston Basin Copper Belt, northern Saskatchewan. The Fannon and Porcupine properties (now collectively referred to as the Wollaston Copper project) are located approximately 100 kilometres south of Key Lake and about 30 kilometres southwest along trend with the Janice Lake Property currently being explored by Forum Energy Metals and Rio Tinto Exploration Canada (RTEC). The Company holds a 1% net smelter return royalty on the Janice Lake Property. The Wollaston Copper claims were staked to cover known copper showings and on-strike equivalents that are interpreted to have potential to host sedimentary-hosted copper mineralization similar to that at Janice Lake. The property is located within the Wollaston Domain, a Proterozoic-aged, northeast trending package of tightly folded amphibolite grade metasediments.

On August 17, 2020 the Company reported initiating field work on the Wollaston Copper project.

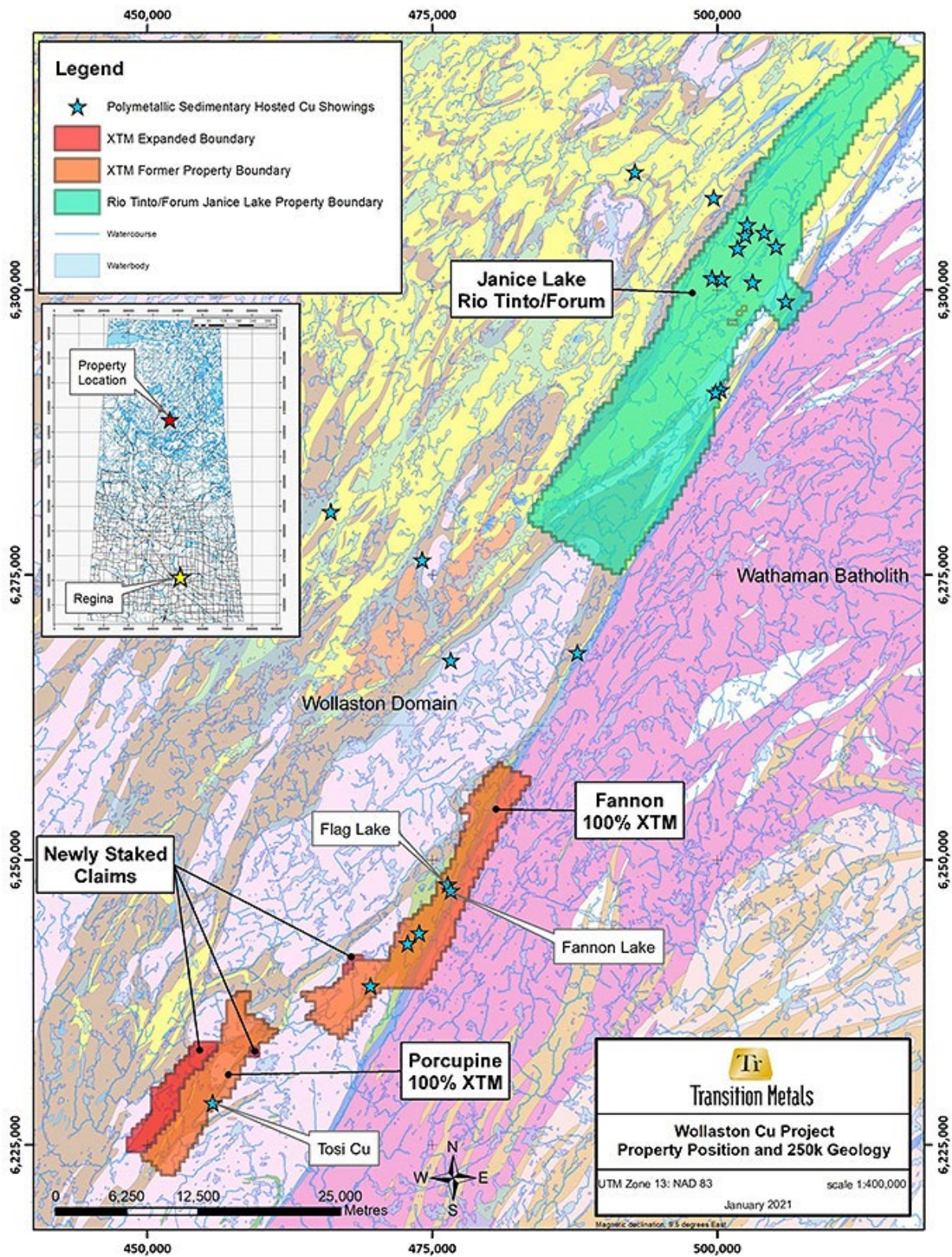
In October 2020, the Company assigned a 1% NSR on the project to Nova Royalties Corp.

On November 17, 2020 the Company reported results from grab samples collected from 4 of 9 known showings including:

- 0.47% at the Fannon Lake showing and 0.43% Cu at the Flag Lake showing 1.5 km north of Fannon
- 0.44% Cu at the Tosi showing located 25 km southwest of Fannon Lake
- 0.93% Zn from the Fable Lake showing located 5 km southwest of Tosi.

On January 18, 2021 the company disclosed results from a property-wide, helicopter-supported, tree-top, biogeochemical survey which outlined several large and continuous zones exhibiting enriched copper signatures in vegetation on both the Fannon and Porcupine blocks associated with favourable rock types and structures for sediment hosted copper.

Based on this work an additional 23 square kilometres to expand the western boundary of the property (see figure on next page). In Q4 2021, one claim was allowed to lapse. As at the end of the reporting period the Wollaston Copper project consists of 16 mining claims for approximately 17,314 hectares.



In September 2021, the Company completed a program of mapping and sampling designed to follow-up base metal geochemical anomalies identified in 2020.

BONNEVILLE COPPER

The Company staked 2 claim blocks for 1,513 hectares to secure ground around copper boulder showings reported in the government of Saskatchewan assessment files. The claims are located approximately 40 kilometres northwest of the Fannon block. Preliminary sampling on the property conducted on the property during the summer of 2020 failed to identify the location of the showings.

ABITIBI GOLD, ONTARIO

Transition Metals directly holds interest in mining lands in the Abitibi Greenstone belt of Ontario totaling approximately 12,034 hectares that are considered prospective for hosting deposits of gold. These projects include: 1) Gowganda Gold, 2) Pipestone (60% Gowest and 40% Transition Joint Venture), and 3) Cryderman. Details of each project area are provided below.

GOWGANDA GOLD PROJECT

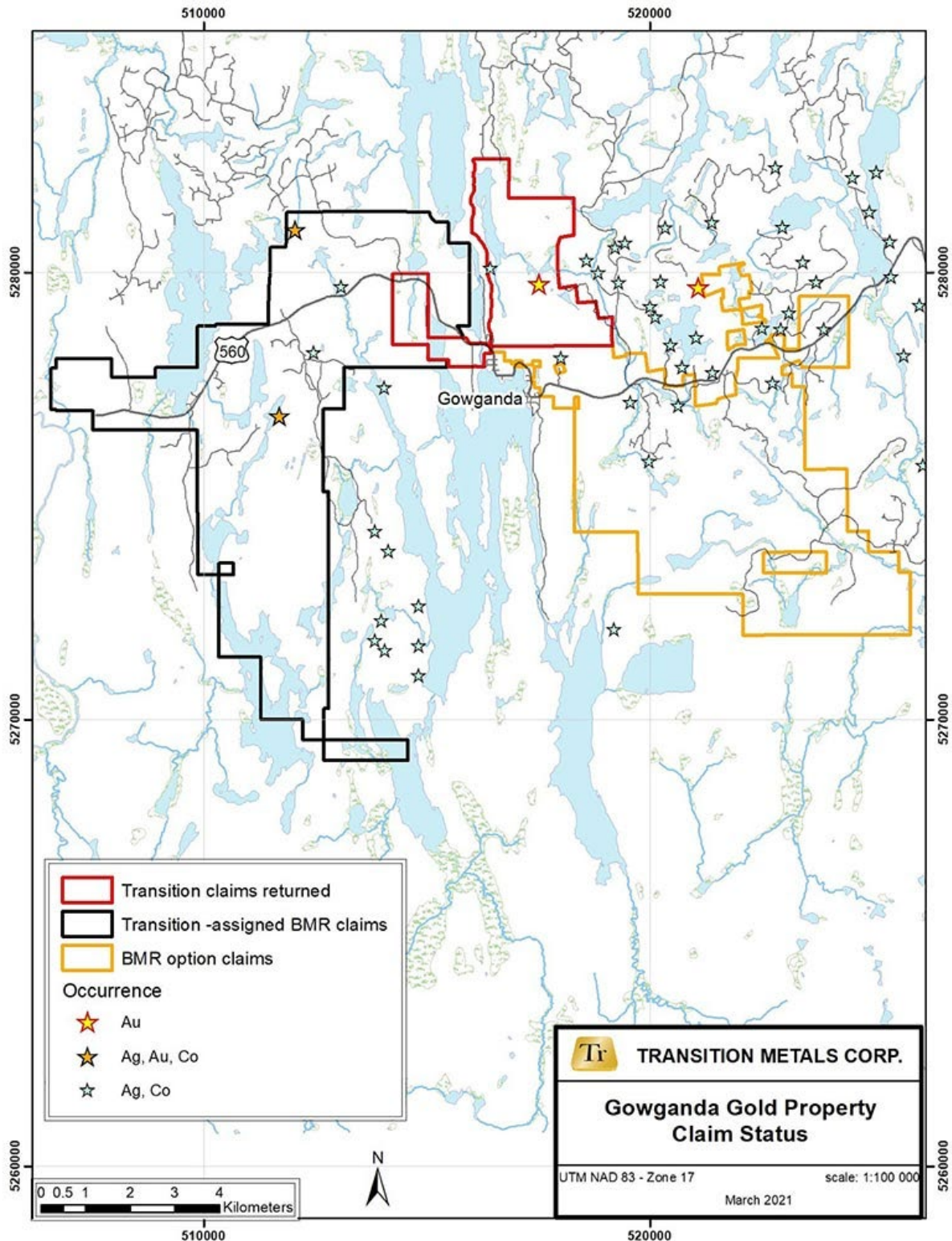
The Gowganda Gold Project is located adjacent to the town of Gowganda, Ontario in Nicol, Haultain, and Van Hise townships, in the Larder Lake Mining District. The center of the project is located approximately 34 kms west of Elk Lake (population 350) and 33 kms southwest of Matachewan (population 450). Following conversion from historical mining claims to new map-based mining claims under the modernized mining act in Ontario, the project now consists of 519 mining tenures totaling an estimated 8,574 hectares.

Since the discovery in 2010 of multiple high grade gold occurrences over a 2 km long structural corridor by the Company, work on the property has included the completion of: Induced Polarization (IP) geophysical surveys, soil sampling, geological mapping, 10 mechanically stripped trenches, channel sampling, and 21 shallow diamond drill holes for a total of 2,258m. Significant drill intercepts from work by Transition include 2.37 g/t Au over 7.06 metres, up to 82.5 g/t Au over 0.4 metres (see Transition Metals news release of December 1, 2011) and 1.63 g/t Au over 11.52 m (see Transition Metals news release of April 6, 2017). In addition to the prospective gold mineralization, cobalt-silver mineralization occurs across the property within the overlying Cobalt Embayment rocks.

On March 12, 2019, the Company announced that it had executed an option and joint venture agreement with Battery Minerals Resources Limited (“Battery”) whereby Battery can earn a up to an 80% interest in the Gowganda Gold project located 75 km southwest of Kirkland Lake. To earn a 60% interest, Battery was to provide option payments totaling \$600,000 over 3 years that included a \$75,000 payment upon execution of the Agreement and \$25,000 that was received earlier by the Company upon execution of a binding term sheet. In addition, Battery was to complete \$3.4 million of exploration expenditures over 3 years including a commitment of \$400,000 during the first year to vest a 60% Interest. Upon vesting a 60% interest, Battery had the right to increase its interest to 80% by delivering a Feasibility Study within three years subject to certain time extension provisions. After earning its 60% or 80% interest in the Property as the case may be, a Joint Venture would be formed, with each party funding its proportionate share of future work programs or suffering dilution of interest.

On March 24, 2021 the Company announced that it had amended its agreement with Battery such that BMR could focus its earn-in efforts on portions of the property under option from Transition considered to be more favourable for hosting silver and cobalt mineralization, while facilitating the return of portions of the property considered more favourable for hosting gold to Transition. Under the amended agreement, the Company has waived the expenditure requirement for the second-year option and removed the requirement for Battery to expend funds on gold exploration going forward. The consideration received by Transition includes a \$300,000 cash payment (paid), the return of its Gowganda Gold property totaling 968 hectares with two years of good standing and the assignment of the additional contiguous Battery claims totaling 4,011 hectares with one-year good standing (see figure on next page).

The portion of the property that remains under option to Battery is depicted on the following figure on the next page in orange. The portion of the optioned property returned from option to Transition is depicted in the following figure on the next page in red. The claims assigned by Battery subject to the March 24, 2021 amendment are outlined in black and are subject to a 1% net smelter return royalty held by Battery.



On October 4, 2021, the Company announced that its grab samples returned high-grade, gold analyses of 18.6-269.0 g/t gold (Au) from one showing and the discovery of four new copper (Cu) showings ranging from .24-2.30% Cu on a portion of the assigned property.

Subsequent to the end of the reporting period, BMR provided notice that it did not intend to vest its interest in the remaining portions of the property held under option and returned the property to Transition Metals. Transition Metals now holds a 100% interest in the combined land package depicted in the figure above which now consists of 519 claims for 8,614 hectares.

CRYDERMAN GOLD

On April 18, 2019, the Company entered into an option agreement to acquire a 100% interest in the Cryderman Gold property located near Shining Tree, Ontario. Pursuant to the terms of the option agreement, Transition retains the right and option to earn a 100% interest in the property by issuing \$10,000 in cash on signing (paid) and paying an additional \$50,000 in cash, incurring work commitments of 445,000 and issuing \$110,000 in shares to the Vendor over a 3-year period. If the Company vests its interest, the Vendor will retain a 2% Net Smelter Return royalty ("NSR") with Transition retaining the right to buy back 1.0% NSR for \$1.0 million. The property consists of 6 contiguous mining leases covering a historical high-grade lode gold showing where grab samples collected by the Company in 2018 returned values from trace up to 34.5 g Au/t.

On November 27, 2019 the Company disclosed assay results from channel sampling completed on veining exposed by trenching completed on the Cryderman Gold property near Shining Tree, Ontario. Samples of quartz vein returned up to 15.70 g/t Au over 0.5 metres along 100 metres of the newly exposed Queen Elizabeth Vein. Sampling of peripheral zones of alteration and quartz stringers returned up to 3.44 g/t Au over 1.63 metres and two additional undocumented veins located to the north of a historical shaft were identified returning up to 3.05 g/t Au over 0.88 metres and 4.11 g/t Au over 0.61 metres.

On October 27, 2020 Transition announced that it had entered into an agreement with Platinex Inc. (Platinex") respecting sharing of data and conceptual knowledge for conducting collaborative exploration work on their adjoining properties in the Shining Tree area of Ontario. The intent of the relationship is to focus on developing a greater understanding of the controls on mineralization to optimally target drilling within the Cryderman property and Shining Tree area.

On May 11, 2021 the Company announced that it had negotiated an accelerated earn-in with the Vendor to fully vest a 100% interest in the property in exchange for a lump sum payment of \$25,000 in cash and the issuance of 250,000 shares. In addition, the parties amended the terms of the NSR agreement such that the maximum NSR encumbrance is reduced from 2.0% to 1.5% with Transition retaining the right to buy down 0.5% for \$1.0 million at any time.

PIPESTONE PROJECT – (40% TRANSITION METALS CORP)

The Pipestone Project consists of 237 converted map-based mining claims (approximately 3,363 ha) located in Wark, Prosser, Gowan, Little and Evelyn townships, Porcupine Mining District, near Timmins, Ontario. The claims were acquired to cover approximately 13 km of the interpreted strike extension of the Pipestone structure. The Pipestone structure is an under-explored gold-bearing regional fault in the Timmins Gold camp that runs sub-parallel to the Destor-Porcupine fault (*>60 million oz of historic production – Ontario Geological Survey - Gold production in the Timmins Regional Resident Geologist's District to the end of 2006*). The Destor-Porcupine fault bounds the Porcupine sedimentary basin to the south while the Pipestone fault bounds the basin to the north. Previous work has identified gold mineralization in basal till samples in the section of the fault covered by the Company's claims as well as in core samples located near the property.

On April 27, 2011, the Company entered into an option and joint venture agreement ("JV") with Gowest Gold Ltd. ("Gowest") (TSX Venture: GWA). The terms of the agreement provided an option for Gowest to acquire a 60% or 75% interest in the claims owned by the Company, collectively referred to as the Pipestone Property. Gowest earned a 60% interest in the Pipestone Property by making cash payments of \$100,000 (received), issuing 500,000 (500,000 received) common shares of Gowest and incurring exploration expenditures of \$1,000,000 by the fourth-year anniversary of the agreement. Furthermore, Gowest retained a one-time option upon vesting its 60% interest to increase its ownership to 75% by issuing an additional 150,000 common shares and incurring an additional \$2,000,000 in exploration expenditures within 2 years which it declined to trigger. A joint venture on the project was formed on a 60% Gowest, 40% Transition ownership basis, effective April 25, 2016.

SUDBURY AREA (COPPER-GOLD)

AYLMER IOCG

On May 4, 2020, the Company entered into an agreement to option the Aylmer IOCG property from a group of Sudbury area vendors. Under the terms of the agreement, Transition has the right to earn a 100% interest in the Aylmer IOCG property by making aggregate cash payments of \$102,000 (\$22,000 paid); issuing an aggregate total of 625,000 common shares (75,000 issued); and incurring exploration work expenditures totaling \$900,000 by May 4, 2024. If the Company exercises its option, the vendors will retain a 2.0% Net Smelter Return Royalty (NSR) from any Commercial Production from the property for which Transition may purchase 1.0% of the NSR for \$1,000,000 at any time.

With some additional staking, the property now consists of 119 mining claims covering 3,131 hectares, located north of Lake Wanapitei near Sudbury Ontario. The property lies within a north-trending, regional structural zone interpreted to be 14 to 15 kilometres wide associated with widespread soda-altered rocks and occurrences of copper-bearing quartz veins. Grab samples collected at outcropping exposures of quartz veining, quartz and or carbonate breccia's hosting variable amounts of disseminated sulphides returned copper values ranging from <0.05 ppm Cu to 5.93% Cu representing an average of 0.4% Cu from 19 samples.

On November 2, 2020, the Company announced it was undertaking a high resolution, deep seeking airborne magnetotelluric (MT) survey over an approximate 35 square kilometre portion of the project with the intention of highlighting focused systems of alteration and mineralization at depth in connection with the hydrothermal breccia zones exposed at surface. The survey outlined zones of reduced resistivity, interpreted to be associated with hydrothermal breccia zones exposed at surface, which appear to extend to depths greater than 1 kilometre. Work initiated during the fourth quarter of 2021 included trenching, mapping, and geochemical sampling to further qualify the structural and alteration characteristics of these breccia zones to further assess the potential of these targets in preparation for drilling.

FOSTUNG (TUNGSTEN- CU-AU-AG)

On November 14, 2019 the Company announced that it has acquired a 100% interest in the Fostung Property located near the town of Espanola, approximately 70 kilometres southwest of Sudbury, Ontario.

The Fostung property hosts an historic tungsten trioxide (WO₃) skarn resource completed by Golden Predator Mine Inc. in 2007 which was stated to contain an Inferred Mineral Resource of 12.4 million tonnes (Mt) grading 0.213 wt. % WO₃ (Tungsten Trioxide) based on information from 44 drill holes totaling 9,185 metres completed from 1966 to 1986. The Company informs that a qualified person has not done sufficient work to classify the historical estimate as current mineral resources or mineral reserves, and that the Company is not treating the historical estimate as current mineral resources or mineral reserve.

In June of 2019 Transition staked 690 hectares of crownland that covered a portion of the former Fostung leases. Two additional groups of claims (the CJP Exploration claims and the Daxl claims), representing the remaining Fostung leases, were acquired via two purchase agreements summarized below.

CJP Exploration Purchase – 16 mining claims for 356 hectares

Transition has purchased a 100% interest in the property by issuing \$25,000 in cash and \$25,000 in shares to the Vendor. The Vendor retains a 1% Net Smelter Return royalty (NSR) on the property with Transition retaining the right to buy back 0.5% NSR for \$500,000.

Daxl Purchase – 3 mining claims for 67 hectares

Transition has purchased a 100% interest in the property by issuing \$5,000 in cash to the Vendor.

On August 10, 2020 the Company announced that it had entered into an Option and Joint Venture Agreement with 1930153 ON Ltd. ("1930153 ON") whereby 1930153 ON can earn up to a 100% interest in the Fostung Property. To earn a 50% interest, 1930153 ON must provide option payments totaling \$120,000 over 4 years that includes a \$15,000 payment upon execution of the Agreement (Paid). All option payments will be doubled if the project attracts at least \$2,000,000 of financing during the 5-year Option Period. Additionally, 1930153 ON must complete \$500,000 of exploration expenditures over 5 years. 1930153 ON may increase its interest in the Fostung Property to 80% by providing Transition with a further \$500,000 in

cash and completing an additional \$1,500,000 worth of work over 2 years. 1930153 ON may further increase its interest to 100% by making an additional cash payment of \$4,500,000 to the Company, subject to a 2.0% NSR royalty.

The Company has been working with the Optionor to operate programs of work including a diamond drill program with objectives towards updating the resource at Fostung and to obtain material to facilitate metallurgical testing. As of the effective date of this report the agreement with 1950153 ON remains in good standing.

MONGOWIN GOLD

The Mongowin property consists of 112 staked and 10 purchased mining claims for a total of 2,560 hectares located in Mongowin Township approximately 20 kilometres south of Espanola Ontario. The purchased mining claims are subject to a 1% NSR to the vendors of which Transition retains the right to purchase 50% or 0.5% of the NSR at any time for \$600,000. The property covers prospective exposures of altered Huronian group sediments and gold bearing structures as well as a number of mineralized occurrences and surrounds the past producing McMillan gold mine which produced approximately 60,000 tonnes grading 0.18 oz per tonne between 1934 and 1937.

On June 14, 2021 the Company announced that it had entered into a binding Letter of Intent (LOI) with McFarlane Lake Mining Incorporated (“MFM”) whereby MFM can purchase a 100% interest in 122 mining claims and 3 patents covering 2,605 hectares in Mongowin Township Under the terms of the LOI, MFM paid XTM \$15,000 upon signing for a 5-month period of exclusivity to assign the Property to a public vehicle (“Pubco”) and complete due diligence. This period was extended in October, November, and December of 2021 in exchange for cumulative payments of \$15,000 per month (\$45,000 received). Upon completion of the period of exclusivity, Transition will receive an additional payment of \$85,000 and \$500,000 worth of common stock in Pubco prior to transferring the Property. In addition, Transition will be granted a 1.5% net smelter return royalty from commercial production from the Property, a \$2,500,000 milestone payment upon commencement of commercial production and non-refundable, advanced royalty payments of \$25,000 per year following the 5th year of the execution of a Definitive Agreement for up to 10 years following the date of the agreement.

On February 1, 2022 the Company announced that the Company had finalized the sale of these assets to MFM.

DOHERTY LAKE PROPERTY – GOLD AND BASE METALS - ONTARIO

The Doherty Lake Property consists of 46 converted map-based mining claims for 1,012 hectares located in central Demorest Township, Sudbury Mining District, Ontario. The property is located approximately 65 km northeast of the town of Capreol. The property hosts occurrences of elevated Au-Ag-Cu-Pb mineralization associated with a flat lying shear zone occurring within a Nipissing Gabbro sill. The Company owns a 100% interest in the property subject to a 1% NSR, which can be purchased at any time for \$500,000.

OTHER PROJECTS

Transition has a number of other exploration projects in the Canadian provinces of Ontario, Nova Scotia, British Columbia, New Brunswick and Newfoundland and Labrador. Targets are mainly gold, but include: PGMs, tin, nickel and copper. Descriptions of these projects follow.

JOLLY GOLD – NORTHWEST ONTARIO

On November 24, 2020, the Company announced that it has entered into an option agreement to acquire a 100% interest in 9 contiguous mining claims 75 kilometres north of Thunder Bay and has additionally staked new claims to consolidate 4,560 hectares covering a significantly underexplored extension of the Beardmore-Geraldton Greenstone Belt. The property, known as the Jolly Gold project, encompasses a number of historic high-grade gold (Au) occurrences where grab samples collected by the Company in September 2020 returned assay values of 14.35 g/t Au with 0.7 g/t Ag at Trench 1, and 3.96 g/t Au, 7.9 g/t Ag and 0.64 % Cu at Trench 2. The two historic trenches lie along a northeast trend, approximately 1.3 km from each other.

The terms of the option agreement on the 9 claims grant the Company the option to earn a 100% interest in the optioned claims by issuing \$175,000 in cash to the vendors (\$50,000 paid) and by completing an aggregate of \$250,000 in work expenditures over a 4-year period. If the Company vests its interest, the Vendors will retain a 2% NSR with Transition retaining the right to buy back 1% NSR for \$500,000 and the remaining 1% NSR for an additional \$1.5 million.

On April 8, 2021 the Company announced that it had initiated a high-resolution airborne magnetic survey over its newly acquired Jolly Gold project. The results from this survey are under review in preparation for a planned program of prospecting, geological mapping, geochemical sampling, and trench mapping.

On October 19, 2021, the Company announced that in July, the Company completed a first pass mapping and prospecting program on Jolly Gold which included cutting and assaying of 114 channel samples on the historical Fat Beagle trench as well as collecting 82 prospecting grab samples across the 45.6 km² property before work was halted due to local forest fire conditions. Channel sampling within the historic Fat Beagle trench returned very high-grade zones of gold mineralization, with assays of up to 146.5 g/t Au over 0.41 m, and 24.4 g/t Au over 0.61 m. The best result from the 82 grab samples collected outside of the showing area returned was 1.35% Zn from an outcrop of sulphide facies iron formation.

HIGHLAND GOLD - GOLD – CAPE BRETON, NOVA SCOTIA

On August 20, 2018, the Company announced that it had entered into an option agreement to acquire a 100% interest in the >45 km² Highland Gold property located in the Cape Breton Highlands. Under the terms of the option agreement, Transition retains the right and option to earn a 100% interest in the property by completing \$1.5 million of expenditures and issuing \$170,000 in cash and \$175,000 in shares to the Vendor over a 5-year period. If the Company vests its interest, the Vendor will retain a 2% Net Smelter Return royalty (“NSR”) with Transition retaining the right to buy back 1% NSR for \$1.25 million.

On September 27, 2018, the Company announced that it had staked additional claims and initiated a high resolution airborne geophysical survey assist with targeting in preparation for a program of reverse circulation (RC) drilling.

On January 14, 2019, the Company announced that this drilling had intersected 9.14 metres grading 23.22 g/t Au including 3.05 metres grading 49.54 g/t Au.

On June 5, 2019 the Company announced that it had resumed exploration on the property with plans to complete approximate 1,000 metres of percussion Reverse Circulation (RC) drilling to test a cluster of high-grade showings within a roughly 5 square kilometer portion of the property to follow up on targets highlighted by previous work. Results from this program confirmed strike and dip extensions to mineralization identified at Zone 6A and indicate significant grades and thicknesses of gold at Zone 6B which is located approximately 250 metres southwest of Zone 6A. Testing Zone 6B, hole 19-TMC-RC-11 intersected 9.0 metres grading 6.14 g/t Au including 2.0 metres grading 25.46 g/t Au. Zones 6A and 6B are respectively located approximately 2 kilometres east of Main Zone where RAB drilling completed by the Company in late 2018 returned a 9.14 metre interval grading 23.22 g/t Au. In total, 28 holes for 568 metres were completed; the results of which are summarized in the table below.

Hole	From (m)	To (m)	Length (m)	Au (g/t)	Zone
19-TMC-RC-01	10.00	19.00	9.00	6.88	6A
including	10.00	14.00	4.00	16.44	6A
19-TMC-RC-02	3.00	4.00	1.00	0.80	6A
and	11.00	15.00	4.00	2.03	6A
including	12.00	14.00	2.00	3.57	6A
19-TMC-RC-03	5.00	7.00	2.00	1.54	6A
19-TMC-RC-04	1.00	6.00	5.00	1.61	6A
including	2.00	4.00	2.00	3.75	6A
19-TMC-RC-05		No sig. results			
19-TMC-RC-06	18.00	23.00	5.00	2.61	6A
including	22.00	23.00	1.00	7.39	6A
19-TMC-RC-07	16.00	24.00	8.00	1.31	6A
including	18.00	19.00	1.00	4.92	6A
19-TMC-RC-08		No sig. results			
19-TMC-RC-09	3.00	4.00	1.00	1.09	6A
19-TMC-RC-10	0.00	6.50	6.50	1.01	6B
including	0.00	1.50	1.50	3.32	6B
19-TMC-RC-11	0.00	9.00	9.00	6.14	6B
including	0.00	2.00	2.00	25.46	6B
19-TMC-RC-12		No sig. results			
19-TMC-RC-13	6.00	9.00	3.00	0.90	6B
19-TMC-RC-14	13.00	19.00	6.00	6.17	6B
including	13.00	15.00	2.00	11.53	6B
19-TMC-RC-15	7.00	12.00	5.00	2.62	6B
including	11.00	12.00	1.00	4.30	6B
19-TMC-RC-16	17.00	27.00	10.00	2.58	6B
including	17.00	20.00	3.00	5.67	6B
19-TMC-RC-17		No sig. results			Other
19-TMC-RC-18		No sig. results			Other
19-TMC-RC-19		No sig. results			Other
19-TMC-RC-20		Did not reach target depth			Main
19-TMC-RC-21	14.00	15.00	1.00	1.97	Main
19-TMC-RC-22		Did not reach target depth			Main
19-TMC-RC-23		Did not reach target depth			Main
19-TMC-RC-24		No sig. results			Other
19-TMC-RC-25		No sig. results			6C
19-TMC-RC-26		No sig. results			6C
19-TMC-RC-27		No sig. results			Other
19-TMC-RC-28		No sig. results			Other

On February 28, 2020, the Company was informed by the Department of Energy and Mines Nova Scotia that it had initiated a process in response to concerns raised by the Mi'kmaq Assembly of Chiefs regarding the issuance of mining and exploration permits in the Cape Breton Highlands. The government of Nova Scotia has indicated that it must discharge its duty to consult with the Mi'kmaq of Nova Scotia before approvals granting access to Crown Land and authorizations for drilling and excavation to carry out exploration activities in the Highlands will be issued. The Company continues to engage with the Department of Mines and Energy towards clarity and updates regarding this process.

On July 29, 2020 the option agreement was amended such that all future requirements under the option agreement were suspended until all permits to continue exploration have been received by the Company. The Company will make cash payment of \$7,500 (to be credited towards the cash portion of the option agreement consideration) on or before April 1 each year during the suspension.

To earn a 100% interest, the Company is required to make cash payments of \$170,000 over four years (\$65,000 paid), issue \$175,000 worth of common shares of the Company (241,325 common shares issued based on VWAP pricing estimated to be worth \$65,000 at the time of issuance) over four years and incur exploration expenditures of \$1,500,000 over five years.

The agreement also provides for a milestone payment by the Company of \$500,000 in cash or shares within 90 days after a commercial production decision. If by the 8th anniversary of the agreement no production decision has been made, a milestone prepayment of \$25,000 per year to the optionee capped at \$500,000. Upon exercise of the option the property is subject to a 1.0% NSR of which the Company can purchase 1.0% of the NSR for \$1,250,000. The optionee has been granted a 1.0% NSR on the adjacent company staked Claims. The Company retains the right to purchase from the optionee the Company granted 1.0% NSR on the adjacent properties for \$500,000.

BANCROFT (NI-CU-PGM's)

The Bancroft project is a greenfield exploration project that has seen the benefit of approximately \$5.0 million in exploration expenditures. The property consists of approximately 3,833 hectares of mining claims located in the Southern Mining district near Bancroft, Ontario. In 2009, First Nickel announced the discovery of a new zone of PGM mineralization called ML North located in northeastern Raglan Township upon intersecting 5.05 metres grading 0.762 g/t Pt and 1.216 g/t Pd. In 2020 the Company completed an orientation biochemical survey over the ML-North PGM showing and other areas with similar magnetic features and completed a thorough review of the available geophysical results. This work has highlighted several prospective Ni-Cu-PGM targets.

In October 2020, the Company assigned a 1% NSR on the project to Nova Royalties Corp.

ISLAND COPPER

The Island Copper property is located in Aweres Township of the Sault Ste. Marie Mining District to cover the historic Island Copper showings. The property is interpreted to have high potential for IOCG-style Cu-Au mineralization. The Island Copper mineralization is hosted in an albite-rich granite breccia that is situated at the intersection of major crustal faults thought to represent the terrain boundary between Archean and Proterozoic rocks, along the margins of a major paleo-rift setting. Copper and Au enrichment occurs within a hydrothermal Fe-oxide (hematite) chlorite and amphibolite matrix that cements fragmented and altered granite breccia. Historic drilling completed by Kennco Exploration in 1965 reported 11.59m @ 3.4% Cu and 0.9g/t Au at the main showing.

On January 25, 2021 the Company announced that it had granted an option on its Island Copper project to Rich Copper Exploration Corp ("Rich Cu"), a private corporation. Under the terms of the Agreement, Rich Cu can vest a 100% interest in the Property by providing Transition with \$150,000 cash over 3 years (\$25,000 received), 500,000 shares (received) on signing and an additional \$475,000 worth of shares over the following 3 years as well as completion of \$750,000 in exploration expenditures. Transition will receive a 2.5% Net Smelter Return royalty on any future production from the Property and within a 5 kilometre area of interest. In addition, Transition is entitled to milestone payments of \$1,000,000 upon Rich Cu or its assigns completing a Feasibility Study and an additional payment of \$5,000,000 within 12 months of commencement of Commercial Production. Rich Cu can purchase 1% of the NSR for \$1,000,000 anytime prior to commercial production.

The property was returned to the Company and the Option Agreement with Rich Copper was terminated on January 6, 2022.

HOMATHKO PROPERTY – GOLD – BRITISH COLUMBIA

The Homathko Property consists of 3 claims totaling 202 hectares located in the Caribou Regional District, British Columbia, approximately 200 km west of Williams Lake in the western portion of the Chilcotin region. The properties were staked to secure a land package around a high-grade gold showing discovered by Falconbridge in the 1960's, which returned assays up to 342 g/t Au.

On December 10, 2020, the Company entered into an agreement to grant an option of a 100% interest in the property to Homerun Resources Inc. ("Homerun"; formerly Envirotek Remediation). Under the terms of the agreement, Homerun can earn a 100% interest in the property by issuing 700,000 shares subject to exchange approval followed by additional share issuances totaling \$100,000 worth of common shares over 2 years and by completing \$550,000 worth of exploration expenditures by December 2022. Once vested, Transition would retain a 1.0% Net Smelter Royalty on all mineral production, 0.5% of which can be purchased by the Company for \$1,000,000. The Homathko property is subject to a pre-existing 1.0% royalty sold by the Company to Nova Royalty Corp.

On January 27, 2022 the Agreement with Homerun was amended. Under the terms of the amendment, the Area of Interest was expanded from 2 kilometres from the outer property boundary to 25 kilometres. In addition, the royalty was increased from 1.0% NSR (with a buy back option for Homerun of 0.5% NSR for \$1,000,000) to 1.5% NSR (with a buy back option for Homerun of 0.75% NSR for \$1,000,000)

THOMPSON GOLD – BRITISH COLUMBIA

On March 29, 2021 the Company announced that it had entered into a letter of intent with Underhill Exploration Ltd. to acquire a 100% interest in claims hosting the Blackhawk Gold Prospect near the eastern margin of the prolific Quesnel Trough, close to Vernon, British Columbia. The Blackhawk Prospect which encompasses the historic East Showing (historic channel sample: 11.3 g/t gold and 12.1 g/t silver across 2.2 metres), the West Showing (historic chip sample; 16.0 g/t gold across 1.2 metres) and the Quartz Showing (historic channel sample: 4.6 g/t gold over 2 metres). On July 31, 2021 the Company executed a formal option agreement to allow the Company to earn a 100% interest in West and Musgrave claims from Underhill in exchange for \$100,000 cash over 3 years (\$10,000 paid), 250,000 shares and by incurring \$450,000 in work expenditures on the Property by the third anniversary of the agreement. Upon earning its interest, the Vendors would be granted a 1.5% NSR of which 0.5% can be repurchased by the Company at any time for \$1,000,000. The Company has completed additional staking around the Underhill ground to consolidate a 4,306 hectare land position. In 2021, access to conduct work on the property was hampered by an active fire season which resulted in close to half the area of the claim group being consumed by fire, removing much of the forest vegetation in the area. Despite these challenges the company was able to complete a high resolution airborne LIDAR survey and an orientation soil survey over portions of the property.

PORTERVILLE AND LEWISPORTE – GOLD – NEWFOUNDLAND

The Porterville Property consists of 15 staked claims (375 hectares) in the Exploits Subzone of the Dunnage Zone along the south shore of the Bay of Exploits, Newfoundland. The property is underlain by phases of the Thwart Island Gabbro and Porterville Gabbro which intruded the Dunnage Melange. To the south, the gabbros are in contact with mafic volcanics with minor chert and sandstone intervals. The Porterville occurrence is hosted by pyrite and arsenopyrite in strongly carbonated shears within the Porterville Gabbro where channel sampling by Inco Gold returned 0.35 metres grading 17.3 g/t Au in 1990. The Red Cliff occurrence, located 1.0 km to the south, consists of carbonatized shears hosting quartz veins where grab samples by Cornerstone Resources in 2005 returned up to 2.26 g/t Au from grab sampling.

The Lewisporte Property consists of 4 staked claims (100 hectares) located to the east of the Porterville Property extending from the Bay of Exploits south to Burnt Bay. The Crooked Line occurrence within the Lewisporte Property consists of semi-massive to massive arsenopyrite hosted by silicified fractures and shears in leucogabbro. Sampling by Cornerstone Resources in 2005 returned 6.02 g/t Au from grab samples. The Burnt Bay occurrence is hosted by sheared gabbro containing quartz veins with associated arsenopyrite and pyrite which returned up to 8.06 g/t Au.

DUNTARA COPPER - NEWFOUNDLAND

On May 28, 2019, the Company announced that it had staked a new copper property known as the Duntara Copper Property covering 2,440 hectares along the northwestern tip of the Bonavista Peninsula in Eastern Newfoundland. The new claims were staked to cover a series of known copper showings including the Blue Point Prospect where shallow drilling completed by Noranda Inc. in 2001 returned 1.0 % Cu and 12.1 g/t Ag over 14.25 metres including 1.98 % Cu and 23.10 g/t Ag over 6.0 metres. The showings occur within the Crown Hill Formation of the Neoproterozoic Musgravetown Group that has been shown to have excellent potential to host sedimentary-hosted copper mineralization.

The Company has completed a high-resolution airborne mag/EM survey over this property with an objective to highlight magnetic and conductivity features considered prospective indicators for targeting large deposits of sediment-hosted copper under cover.

BURIN GOLD - NEWFOUNDLAND

In August of 2020, the Company staked 4,475 hectares of mining claims located in the Burin Peninsula, Newfoundland. Recent work in the Burin Peninsula has highlighted the potential for this region to host high-sulphidation epithermal gold systems. The claims were staked to cover extensions of stratigraphy hosting a large north-east trending >10 km alteration system located to the northeast on adjacent Burin Gold claims. The Company is planning to complete an airborne Mag-VTEM survey later this year.

The following table on the next page lists detailed company project expenditures during the current year as well as the cumulative project expenditures to date.

Acquisitions costs and exploration costs incurred for the period ended February 28, 2021

	Project Generation Expenditures	Gowganda	Janice Lake	Saturday Night	Sunday Lake	Hele	Eva Kitto	Highland Gold	Maude Lake	Cryderman	Duntara	Foster	Aylmer	Dundonald	Wolleston	Other	Former Projects	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Acquisition costs	4,750	-	-	-	-	-	-	-	-	24,364	-	-	-	-	1,578	70,926	-	101,618
Write down of mineral exploration property acquisition costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of property interest (including NSR)	-	(65,166)	(1,201,964)	(65,166)	-	-	-	-	(65,166)	-	-	-	-	(111,714)	(148,951)	(205,498)	-	(1,863,625)
Assays, core logging and sampling	4,052	-	-	-	-	-	-	-	-	-	-	-	1,637	-	42,831	21,848	-	70,468
Camps, accommodations, meals, travel	3,167	-	-	-	-	-	339	-	-	3,461	-	675	1,555	-	935	10,273	-	20,405
Drilling and Trenching	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Geophysical, geochemical and geological	69,189	580	-	-	1,474	-	1,022	-	700	19,282	555	(446)	76,158	370	28,162	71,960	-	269,006
General and Administrative	-	-	-	-	-	-	-	-	-	-	48	-	-	95	-	-	-	143
Recoveries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total additions (recoveries) for the period ended February 28, 2021	81,158	(64,686)	(1,201,964)	(65,166)	1,474	-	1,361	-	(64,466)	47,107	603	229	79,350	(111,249)	(75,445)	(30,391)	-	(1,401,985)

Acquisitions costs and exploration costs incurred for the period ended February 28, 2022

	Project Generation Expenditures	Gowganda	Janice Lake	Saturday Night	Sunday Lake	Hele	Eva Kitto	Highland Gold	Maude Lake	Cryderman	Duntara	Foster	Aylmer	Dundonald	Wolleston	Other	Former Projects	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Acquisition costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of property interest (including NSR)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(707,500)	-	(707,500)
Assays, core logging and sampling	775	-	-	-	-	-	-	-	-	3,523	-	52,000	2,499	-	16,551	18,684	-	94,032
Camps, accommodations, meals, travel	32,427	-	-	344	924	-	344	9,245	123,833	11,969	25,047	32,226	22,134	924	200,955	168,100	-	628,473
Drilling and Trenching	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	900	-	900
Geophysical, geochemical and geological	-	-	-	-	-	-	-	-	500	-	-	-	5,445	-	-	-	-	5,945
General and Administrative	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Recoveries	-	-	-	-	-	-	-	-	-	-	-	(35,000)	-	-	-	-	-	(35,000)
Total additions (recoveries) for the period ended February 28, 2022	33,202	-	-	344	924	-	344	9,245	124,333	15,492	25,047	49,226	30,078	924	217,506	(519,815)	-	(13,150)

Cumulative exploration expenditures as at February 28, 2022

	Project Generation Expenditures	Gowganda	Janice Lake	Saturday Night	Sunday Lake	Hele	Eva Kitto	Highland Gold	Maude Lake	Cryderman	Duntara	Foster	Aylmer	Dundonald	Wolleston	Other	Former Projects	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Acquisition costs - Opening balance, August 31, 2020	189,426	65,268	(154,764)	6,576	678,319	101,880	29,373	94,791	50,000	21,123	-	31,500	13,800	(25,948)	4,950	161,203	2,632,991	3,900,488
Additions	(2,000)	-	-	-	-	-	-	(3,000)	-	94,652	7,289	-	18,663	-	1,578	104,462	-	221,643
Sale of property interest (including NSR)	-	(135,995)	(1,060,000)	(62,500)	-	-	-	-	(62,500)	-	-	-	-	(125,000)	(75,000)	(762,875)	-	(2,283,870)
Acquisition costs - Opening balance, August 31, 2021	187,426	(70,727)	(1,214,764)	(55,924)	678,319	101,880	29,373	91,791	(12,500)	115,775	7,289	31,500	32,463	(150,948)	(68,472)	(497,210)	2,632,991	1,838,261
Additions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of property interest (including NSR)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(707,500)	-	(707,500)
Acquisition costs - Ending balance, February 28, 2022	187,426	(70,727)	(1,214,764)	(55,924)	678,319	101,880	29,373	91,791	(12,500)	115,775	7,289	31,500	32,463	(150,948)	(68,472)	(1,204,710)	2,632,991	1,130,761
Exploration costs - Opening balance, August 31, 2020	3,601,460	290,737	32,337	151,869	1,821,354	1,080,624	49,405	331,090	5,581	59,920	35,072	24,615	14,557	(85,671)	165,773	283,779	4,224,634	12,087,136
Additions	142,113	14,400	-	1,196	2,006	-	1,786	7,500	4,618	39,847	3,247	(8,992)	150,508	813	88,607	1,007,563	-	1,455,211
Recoveries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(270,388)	-	(270,388)
Exploration costs - Opening balance, August 31, 2021	3,743,573	305,137	32,337	153,065	1,823,360	1,080,624	51,191	338,590	10,199	99,767	38,319	15,623	165,065	(84,858)	254,380	1,020,954	4,224,634	13,271,960
Additions	33,202	-	-	344	924	-	344	9,245	124,333	15,492	25,047	84,226	30,078	924	217,506	187,685	-	729,350
Recoveries	-	-	-	-	-	-	-	-	-	-	-	(35,000)	-	-	-	-	-	(35,000)
Exploration costs - Ending balance, February 28, 2022	3,776,775	305,137	32,337	153,409	1,824,284	1,080,624	51,535	347,835	134,532	115,259	63,366	64,849	195,143	(83,934)	471,886	1,208,639	4,224,634	13,966,310
Total cumulative costs - Ending balance, February 28, 2022	3,964,201	234,410	(1,182,427)	97,485	2,502,603	1,182,504	80,908	439,626	122,032	231,034	70,655	96,349	227,606	(234,882)	403,414	3,929	6,857,625	15,097,072

ASSOCIATE COMPANIES

CANADIAN GOLD MINER CORP.

As at February 28, 2022, the Company owns 15,000,100 common shares in Canadian Gold Miner Corp. (“CGM”) being approximately 20% of the issued and outstanding shares. CGM is a private corporation exploring for gold in the Larder Lake Mining District near Kirkland Lake. The Company has assembled an exceptional land position totaling approximately 320 km² around the Cadillac Larder, Lincoln-Nipissing and Ridout structures in the southwestern part of the prolific Abitibi Greenstone belt in Ontario and is planning to go public in 2022. See the below table for the share of CGM’s loss recognized under TMC.

Additional information regarding CGM can be obtained at www.canadiangoldminer.com.

SPC NICKEL CORP. (FORMERLY SUDBURY PLATINUM CORP)

SPC Nickel Corp (“SPC”) is a company spun out by Transition that is focused on discovering Class 1 Nickel in the prolific Sudbury mining camp to discover new sources of metals in support of clean energy initiatives.

As at February 28, 2022, the Company owns 9,321,868 common shares in SPC being approximately 9% of the issued and outstanding shares.

SPC is traded on the TSX Venture Exchange under the ticker symbol SPC.V.

Additional information regarding SPC can be obtained at www.spcnickel.com.

INVESTMENTS

A continuity of investment balances, and the resultant income statement impact, for the period ended February 28, 2022 is as follows:

Continuity:

For the Quarter Ended February 28, 2022	Equity Investment in SPC	Equity Investment in CGM	Marketable securities	Total
Balance as at August 31, 2021	\$1,236,062	\$807,903	\$3,889,800	\$5,933,765
Share of loss for the period	(192,247)	(45,809)		(238,056)
Shares received through options			52,500	52,500
Gain on dilution		5,515		5,515
Mark to market adjustments			(1,093,422)	(1,093,422)
Original cost on realized gains			(394,770)	(394,770)
Balance as at February 28, 2022	\$1,043,815	\$767,609	\$2,454,108	\$4,265,532

Income statement impact:

For the Quarter Ended February 28, 2022	Realized gain on disposition	Equity accounting pick up	Gain on dilution	Unrealized gain	Total
Per above:					
Equity income (loss) pick up		(238,056)			(238,056)
Gain on dilution			5,515		5,515
Mark to market adjustments				(1,093,422)	(1,093,422)
Original cost on realized gains	(394,770)				(394,770)
Adjusted for:					
Proceeds on realized gains	506,275				506,275
Write-down on investments					
Net amount recognized for 2022	\$111,505	\$(238,056)	\$5,515	\$(1,093,422)	\$(1,214,458)

DISCUSSION OF OPERATIONS

THREE MONTHS ENDED FEBRUARY 28, 2022, COMPARED TO THREE MONTHS ENDED FEBRUARY 28, 2021

During the three months ended February 28, 2022 the Company had a net income of \$705,702 compared to net income of \$2,487,410 in the comparative period. The change is mainly due to the following:

- For the three months ended February 28, 2022, the share of loss from equity investments was \$90,526 compared to \$251,142 for the three months ended February 28, 2021.
- During the three months ended February 28, 2022, the Company recorded a gain on dilution in CGM of \$2,220 compared to \$nil in the prior period.
- Unrealized gains and realized gains on marketable securities in the three months were \$535,530 and \$63,150, respectively, compared to gains of \$2,821,118 and \$216,848 in the prior period, respectively. The change in the realized and unrealized gain on marketable securities is due to changes in the underlying market price of the common shares.
- Operating expenditures (recoveries) for the three months ended February 28, 2022, were \$(166,821) compared to \$362,599 for the three months ended February 28, 2021. The changes in the operating expenditures are mainly due to:
 - i. Total exploration recoveries for the three months ended was \$449,469 compared to exploration recoveries of \$170,229 in the comparative period. During the three months ended, February 28, 2022, the Company spent \$205,531 on property expenses compared to \$201,221 in the comparative period. During the six months ended February 28, 2022, the Company sold royalties on certain properties, received option payments, and other recoveries in the amount of \$655,000 (February 28, 2021 – \$371,450). See exploration section for more details.
 - ii. During the three months ended February 28, 2022, the Company recorded share based compensation of \$nil compared to \$279,000 in the prior period. This is due to the fact that nil options were granted during the three months ended February 28, 2022 compared to 1,950,000 in the prior period.

Quarterly Project Expenditures and Recoveries

Project Name	For the three months ended February 28, 2022			For the three months ended February 28, 2021		
	Additions	Recoveries	Total	Additions	Recoveries	Total
Project Generation Expenditures	\$ 15,539	\$ -	\$ 15,539	\$ 32,820	\$ -	\$ 32,820
Gowganda	-	-	-	580	-	580
Janice Lake	-	-	-	-	(300,000)	(300,000)
Saturday Night	344	-	344	-	-	-
Sunday Lake	344	-	344	1,187	-	1,187
Hele	-	-	-	-	-	-
Eva Kitto	344	-	344	1,178	-	1,178
Highland Gold	-	-	-	-	-	-
Maude Lake	122,648	-	122,648	471	-	471
Cryderman	388	-	388	2,209	-	2,209
Duntara	6,809	-	6,809	326	-	326
Foster	-	-	-	162	-	162
Aylmer	2,971	-	2,971	9,230	-	9,230
Dundonald	344	-	344	234	-	234
Wolleston	8,406	-	8,406	16,998	-	16,998
Other	47,392	(655,000)	(607,608)	135,826	(71,450)	64,376
Former Projects	-	-	-	-	-	-
	\$ 205,531	\$ (655,000)	\$ (449,469)	\$ 201,221	\$ (371,450)	\$ (170,229)

SIX MONTHS ENDED FEBRUARY 28, 2022, COMPARED TO SIX MONTHS ENDED FEBRUARY 28, 2021

- During the six months ended February 28, 2022 the Company had a net loss of \$1,679,472 compared to net income of \$3,869,877 in the comparative period. The change is mainly due to the following:
- For the six months ended February 28, 2022, the share of loss from equity investments was \$238,056 compared to \$451,117 for the six months ended February 28, 2021.
- During the six months ended February 28, 2022, the Company recorded a gain on dilution in CGM of \$5,515 compared to \$nil in the prior period.
- Unrealized (losses) gains and realized gains (losses) on marketable securities in the period were \$(1,093,442) and \$111,505, respectively, compared to gains of \$3,291,118 and \$219,517 in the prior period, respectively. The change in the realized and unrealized gain on marketable securities is due to changes in the underlying market price of the common shares.
- Operating expenditures for the six months ended February 28, 2022, were \$499,057 compared to \$736,182 for the six months ended February 28, 2021. The changes in the operating expenditures are mainly due to:
 - i. Total exploration recoveries for the six months ended was \$13,150 compared to exploration recoveries of \$1,401,985 in the comparative period. During the six months ended, February 28, 2022, the Company spent \$729,350 on property expenses compared to \$461,640 in the comparative period. During the six months ended February 28, 2022, the Company sold royalties on certain properties, received option payments, and other recoveries in the amount of \$742,500 (February 28, 2021 – \$1,863,625). See exploration section for more details.
 - ii. During the six months ended February 28, 2022, the Company recorded share based compensation of \$nil compared to \$279,000 in the prior period. This is due to the fact that nil options were granted during the six months ended February 28, 2022 compared to 1,950,000 in the prior period.

Six Month Project Expenditures and Recoveries

Project Name	2022			2021		
	Additions	Recoveries	Total	Additions	Recoveries	Total
Project						
Generation	\$ 33,202	\$ -	\$ 33,202	\$ 81,158	\$ -	\$ 81,158
Expenditures						
Gowganda	-	-	-	580	(65,166)	(64,586)
Janice Lake	-	-	-	-	(1,201,964)	(1,201,964)
Saturday Night	344	-	344	-	(65,166)	(65,166)
Sunday Lake	924	-	924	1,474	-	1,474
Hele	-	-	-	-	-	-
Eva Kitto	344	-	344	1,361	-	1,361
Highland Gold	9,245	-	9,245	-	-	-
Maude Lake	124,333	-	124,333	700	(65,166)	(64,466)
Cryderman	15,492	-	15,492	47,107	-	47,107
Duntara	25,047	-	25,047	603	-	603
Foster	84,226	(35,000)	49,226	229	-	229
Aylmer	30,078	-	30,078	79,350	-	79,350
Dundonald	924	-	924	465	(111,714)	(111,249)
Wolleston	217,506	-	217,506	73,506	(148,951)	(75,445)
Other	187,685	(707,500)	(519,815)	175,107	(205,498)	(30,391)
Former Projects	-	-	-	-	-	-
	\$ 729,350	\$ (742,500)	\$ (13,150)	\$ 461,640	\$ (1,863,625)	\$ (1,401,985)

QUARTERLY INFORMATION

A summary of selected audited financial information for the past eight quarters is presented below:

For the three months ended and as at:	February 28, 2022	November 30, 2021	August 31, 2021	May 31, 2021
Operating recoveries (expenses)	\$166,821	\$(665,878)	\$(567,874)	\$(320,299)
Net (loss) income for the period	705,702	(2,385,174)	(999,293)	491,619
(Loss) income per share – basic and fully diluted	0.01	(0.04)	(0.02)	0.01
Total Assets	7,507,759	6,830,539	9,309,518	10,192,379
Total Liabilities	258,805	287,287	381,092	318,536

For the three months ended and as at:	February 28, 2021	November 30, 2020	August 31, 2020	May 31, 2020
Operating recoveries (expenses)	\$(362,599)	\$1,098,782	\$(216,770)	\$(150,496)
Net income (loss) for the period	2,487,410	1,382,468	1,318,122	(217,671)
Income (Loss) per share – basic and fully diluted	0.05	0.02	0.03	(0.00)
Total Assets	11,752,124	8,994,011	7,657,061	5,273,335
Total Liabilities	248,429	256,725	346,693	378,793

LIQUIDITY AND CAPITAL RESOURCES

CASH FLOWS

Operating activities were affected by net loss of \$1,679,472, non-cash adjustments of \$1,170,934, and a decrease in non-cash working capital items of \$573,922.

Non-cash adjustments consisted of: unrealized loss on fair value adjustment on investment of \$1,093,422; share of loss from equity investments of \$238,056; amortization of \$8,976; offset by gain on dilution of \$5,515; property option payments received in shares of \$52,500; and realized gain on investments of \$111,505.

Non-cash working capital balances consisted of: an increase in prepaid expenses and other deposits of \$14,912; an increase in restricted cash of \$48; an increase in amounts receivable of \$436,675; and a decrease in accounts payable and other liabilities of \$122,287.

Cash flows from investing activities of \$503,461 were affected by proceeds of \$506,275, offset by purchase of equipment of \$2,814.

On February 28, 2022, the Company had cash of \$2,228,172 (August 31, 2021 - \$2,807,171). In addition, it had investments with a fair market value of \$2,454,108 (August 31, 2021 - \$3,889,800). The Company's working capital (based on current assets minus current liabilities) was \$5,325,573 on February 28, 2022 (August 31, 2021 - \$6,766,342). In addition to the Company's positive working capital, Transition has several option agreements in place and in discussion which are estimated to potentially generate gross option payments more than \$650,000 in 2022. These payments are subject to the optionee having sufficient funds available to meet the obligations and option terms of potential new options being approved. Transition monitors the outstanding amounts on an ongoing basis. The Company continues to negotiate option agreements and the potential sale of properties. The Company believes that based on the current cash and working capital position and its access to liquidity sources, it has sufficient resources readily available to meet its current exploration and corporate and administrative requirements for the next twelve months. See "Cautionary Note Regarding Forward-Looking Statements".

In addition, the Company's estimated exploration budget is between \$1 to \$2 million, which will be spent or deferred as required to advance its pipeline of generative projects. It is anticipated that no further financings will be required from related party loans or an equity issue to continue corporate and exploration activities as the Company has sufficient cash and marketable securities to finance operations. There can be no assurance that additional funding from related parties or others will be available on terms acceptable to the Company. For these reasons, management considers it to be in the best interests of the Company and its shareholders to afford management a reasonable degree of flexibility as to how the funds are employed, or for other purposes, as needs arise.

The Company does not have any long-term debt or similar contractual commitments. See "Risk Factors" in this MD&A.

DISCLOSURE OF OUTSTANDING SHARE DATA (As At APRIL 27, 2021)

The capital structure of Transition Metals is as follows:

Common Shares Issued	57,106,389
Options	4,105,000
Warrants	8,418,357
Fully diluted	69,629,746

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

Cash and Cash Equivalents

The Company considers all highly liquid short-term investments with maturity of three months or less to be cash equivalents. As of February 28, 2022, the Company had \$2,228,172 in cash and \$49,865 in restricted cash (August 31, 2021 - \$2,807,171 in cash and \$49,817 in cash equivalents)

Financial Instruments

Entity	February 28, 2022		August 31, 2021	
	Number of Shares	Fair Value	Number of Shares	Fair Value
Class 1 Nickel and Technologies Limited	1,100,600	\$ 180,108	1,179,600	\$ 589,800
Forum Energy Metals Corp.	5,250,000	1,417,500	6,000,000	2,310,000
Nova Royalty Corp.	250,000	720,000	300,000	990,000
Homerun Resources Inc.	700,000	136,500	-	-
Total		\$ 2,454,108		\$ 3,889,800

In connection with the disposition of securities of the above-noted companies, the Company realized a gain on sale of marketable securities during the current fiscal period of \$111,505 (February 28, 2021 - \$216,848).

The Company realized an unrealized loss on marketable securities during the current fiscal period of \$1,093,422 (February 28, 2021 – unrealized gain of \$3,291,118). Unrealized gains or losses are recorded in the statement of comprehensive income. All financial instruments are initially recognized at fair value on the balance sheet. The Company has classified each financial instrument into one of the following categories: (1) financial assets or liabilities at fair value through profit or loss ("FVTPL"), (2) loans and receivables, (3) financial assets available-for-sale, (4) financial assets held-to-maturity, and (5) other financial liabilities. Subsequent measurement of financial instruments is based on their classification.

Financial assets and liabilities at FVTPL are subsequently measured at fair value with changes in those fair values recognized in net earnings. Financial assets “available-for-sale” are subsequently measured at fair value with changes in fair value recognized in other comprehensive income (loss), net of tax.

Financial assets “held-to-maturity”, “loans and receivables”, and “other financial liabilities” are subsequently measured at amortized cost using the effective interest method.

The Company’s financial assets and liabilities are recorded and measured as follows:

Asset or Liability	Category	Measurement
Restricted cash	Held for trading	Fair value
Investments	Held for trading	Fair value
Accounts receivable	Loans and receivables	Amortized cost
Accounts payables & accrued liabilities	Other liabilities	Amortized cost
Due to related parties	Other liabilities	Amortized cost

The Company classifies the fair value of financial instruments according to the following hierarchy based on the number of observable inputs used to value the instrument.

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs, including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace.

Level 3 – Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The following table illustrates the classification of the Company’s financial instruments, measured at fair value in the statements of financial position as of February 28, 2022 and August 31, 2021 categorized into the levels of the fair value hierarchy.

August 31, 2021	Level 1	Level 2	Level 3	Aggregate Fair Value
Marketable securities	\$3,889,800	\$ -	\$ -	\$3,889,800
Restricted cash	-	49,817	-	49,817
Total	\$3,889,800	\$49,817	-	\$3,939,617
February 28, 2022				
Marketable securities	\$2,454,108	\$ -	\$ -	\$2,454,108
Restricted cash	-	49,865	-	49,865
Total	\$2,454,108	\$49,865	\$ -	\$2,503,973

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements such as guarantee contracts, contingent interests in assets transferred to unconsolidated entities or derivative financial obligations.

TRANSACTIONS WITH RELATED PARTIES

Related party transactions conducted in the normal course of operations are measured at the exchange value (the amount established and agreed to by the related parties). The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or which might reasonably be expected to be available, to similar transactions to non-key management personnel related entities on an arm’s length basis.

Related parties include the Board of Directors, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions. The Company entered into the following transactions with related parties:

In accordance with IAS 24, key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

The remuneration of directors and key management of the Company for the three and six months ended February 28, 2022, and 2021 was as follows:

	Three Months Ended February 28, 2022	Three Months Ended February 28, 2021	Six Months Ended February 28, 2022	Six Months Ended February 28, 2021
Short term benefits (i)	\$ 133,977	\$ 137,730	\$ 229,178	\$ 196,980
Share based payments	-	228,000	-	228,000
Accounting fees	16,090	-	22,180	-
	\$ 150,067	\$ 365,730	\$ 251,358	\$ 424,980

Short term benefits are included in consultant fees and exploration and evaluation expenditures.

On December 18, 2020, the Company granted 2,325,000 incentive stock options to directors, management and employees of the Company, exercisable at \$0.155 per share for a period of 5 years resulting in a fair value of \$228,000. The options vested immediately. Management and directors were granted 1,900,000 incentive stock options.

Included in accounts payable and accrued liabilities as of February 28, 2022 is \$54,456 (August 31, 2021 - \$109,762) owing to officers and management of TMC. The amounts are unsecured, non-interest bearing, and are due on demand.

Included in management fees is \$nil (February 28, 2021 – \$812 and \$1,468, respectively) charged to CGM during the three and six months ended. Included in amounts receivable as at February 28, 2022 is \$nil (August 31, 2021 - \$4,879) due from CGM.

Included in management fees is \$nil (February 28, 2021 - \$4,087 and \$13,370) charged to SPC during the three and six months ended February 28, 2022. Included in amounts receivable as at February 28, 2022, is \$13,352 (August 31, 2021 - \$3,888) due from SPC. Included in amounts payable as at February 28, 2022, is \$7,358 (August 31, 2021 - \$nil) due to SPC.

During the year ended August 31, 2021, the Company entered into an accounting support services agreement with Marrelli Support Services Inc. ("Marrelli Support") wherein Marrelli Support provided certain accounting support services to the Company. On September 21, 2021, in connection with such agreement with Marrelli Support, the Company retained Mr. Carmelo Marrelli, Principal of Marrelli Support, as its Chief Financial Officer. During the three and six months ended February 28, 2022, the Company paid professional fees of \$16,090 and \$22,180 (February 28, 2021 - \$nil), respectively, to Marrelli Support. These services were incurred in the normal course of operations for general accounting and financial reporting matters. As at February 28, 2022, Marrelli Support was owed \$10,000 (August 31, 2021 - \$5,000) with respect to services provided. The balance owed was recorded in the statements of financial position as amounts due to related parties.

COMMITMENTS AND CONTINGENCIES

Environmental Contingencies

The Company's exploration activities are subject to various federal, state, provincial, and international laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Flow-through Expenditures

The Company has indemnified the subscribers for any tax related amounts that become payable by the subscriber because of the Companies not meeting their expenditure commitments. As at February 28, 2022, all flow-through funds had been spent. As at February 28, 2022, the Company has no commitments regarding flow-through expenditures.

RISK FACTORS

The operations of the Company are speculative due to the high-risk nature of its business, which involves the acquisition, financing, exploration, and development of mining properties. These risk factors could materially affect the Company's future operating results and could cause actual events to differ materially from those described in forward-looking information relating to the Company.

Liquidity Concerns and Future Financings

The Company will require significant capital and operating expenditures in connection with the development of its properties. There can be no assurance that the Company will be successful in obtaining required financing as and when needed. Volatile markets may make it difficult or impossible for the Company to obtain debt financing or equity financing on favorable terms, if at all. Failure to obtain additional financing on a timely basis may cause the Company to postpone or slow down its development plans, forfeit rights in some or all its properties or reduce or terminate some or all of its activities.

Nature of Mining, Mineral Exploration and Development Projects

Mining operations generally involve a high degree of risk. The Company's operations are subject to the hazards and risks normally encountered in the mineral exploration, development and production, including environmental hazards, explosions, unusual or unexpected geological formations or pressures and periodic interruptions in both production and transportation due to inclement or hazardous weather conditions. Such risks could result in damage to, or destruction of, mineral properties or producing facilities, personal injury, environmental damage, delays in mining, monetary losses and possible legal liability.

Mineral exploration is highly speculative in nature. There is no assurance that exploration efforts will be successful. Even when mineralization is discovered, it may take several years until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish proven and probable mineral reserves through drilling. Because of these uncertainties, no assurance can be given that exploration programs will result in the establishment or expansion of mineral resources or mineral reserves. There is no certainty that the expenditures made by the Company towards the search and evaluation of mineral deposits will result in discoveries or development of commercial quantities of ore.

Development projects have no operating history upon which to base estimates of future cash operating costs. For development projects, reserve and resource estimates and estimates of cash operating costs are, to a large extent, based upon the interpretation of geologic data obtained from drill holes and other sampling techniques, and feasibility studies, which derive estimates of cash operating costs based upon anticipated tonnage and grades of ore to be mined and processed, ground conditions, the configuration of the ore body, expected recovery rates of minerals from the ore, estimated operating costs, anticipated climatic conditions and other factors. As a result, actual production, cash operating costs and economic returns could differ significantly from those estimated. Current market conditions are forcing many mining

operations to increase capital and operating cost estimates. Indeed, there have been a number of mining operations that have ceased or been suspended or delayed because operation costs are estimated to be greater than projected prices of product. It is not unusual for new mining operations to experience problems during the start-up phase, and delays in the commencement of production often can occur.

No Revenues from Project Generation Activities

To date the Company has recorded no revenues from exploration operations and the Company has not commenced commercial production or development on any property. There can be no assurance that significant losses will not occur in the near future or that the Company will be profitable in the future. The Company's operating expenses and capital expenditures may increase in subsequent years in relation to the engagement of consultants, personnel and equipment associated with advancing exploration, development, and commercial production of the Company's properties. The development of the Company's properties will require the commitment of substantial resources to conduct time-consuming exploration. There can be no assurance that the Company will generate any revenues or achieve profitability.

Licenses and Permits, Laws and Regulations

The Company's exploration and development activities, including mine, mill, road, rail and other transportation facilities, require permits and approvals from various government authorities and are subject to extensive federal, provincial, state and local laws and regulations governing prospecting, development, production, exports, taxes, labour standards, occupational health and safety, mine safety and other matters. Such laws and regulations are subject to change, can become more stringent and compliance can therefore become more costly. In addition, the Company may be required to compensate those suffering loss or damage by reason of its activities. There can be no guarantee that Transition Metals will be able to maintain or obtain all necessary licenses, permits and approvals that may be required to explore and develop its properties, commence construction or operation of mining facilities.

Mineral Commodity Prices

The value of the Company's properties will be dependent upon the market price of mineral commodities. Mineral prices fluctuate widely and are affected by numerous factors beyond the control of the Company. The level of interest rates, the rate of inflation, the world supply of mineral commodities and the stability of exchange rates can all cause significant fluctuations in prices. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political developments. The price of mineral commodities has fluctuated widely in recent years, and future price declines could cause commercial production to be impracticable, thereby having a material adverse effect on the Company's business, financial condition and result of operations.

Investment price risk

Investment price risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market prices. The Company is subject to price risk due to changes in the fair value of the common shares it holds in various companies as well as SPC and CGM.

Environmental

The Company's activities are subject to extensive federal, provincial state and local laws and regulations governing environmental protection and employee health and safety. Environmental legislation is evolving in a manner that is creating stricter standards, while enforcement, fines and penalties for non-compliance are also increasingly stringent. The cost of compliance with changes in governmental regulations has the potential to reduce the value of its properties. Further, any failure by the Company to comply fully with all applicable laws and regulations could have significant adverse effects on the Company, including the suspension or cessation of operations.

Title to Properties

The acquisition of title to resource properties is a very detailed and time-consuming process. The Company holds its interest in certain of its properties through mining claims. Title to, and the area of, the mining claims may be disputed. There is no guarantee that such title will not be challenged or impaired. There may be challenges to the title of the properties in which the Company may have an interest, which, if successful, could result in the loss or reduction of the Company's interest in the properties.

Uninsured Risks

The Company maintains insurance to cover normal business risks. In the course of exploration and development of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including explosions, rock bursts, cave-ins, fire and earthquakes may occur. It is not always possible to fully insure against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could result in significant liabilities to the Company and increase costs of projects.

Competition

Transition Metals competes with many other mining companies that have substantially greater resources than the Company. Such competition may result in the Company being unable to acquire desired properties, recruit or retain qualified employees or acquire the capital necessary to fund its operations and develop its properties. The Company's inability to compete with other mining companies for these resources would have a material adverse effect on the Company's results of operation and business.

Dependence on Outside Parties

Transition Metals has relied upon consultants, engineers and others and intends to rely on these parties for development, construction and operating expertise. Substantial expenditures are required to establish mineral reserves through drilling, to carry out environmental and social impact assessments, to develop processes to extract the commodity from the ore. If such parties' work is deficient or negligent or is not completed in a timely manner, it could have a material adverse effect on Transition Metals.

Conflicts of Interest

Certain of the Company's directors and officers serve or may agree to serve as directors or officers of other companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of Transition Metals may have a conflict of interest in negotiating and concluding terms respecting such participation.

Litigation

Transition Metals has entered into legally binding agreements with various third parties on a consulting and partnership basis. The interpretation of the rights and obligations that arise from such agreements is open to interpretation and Transition Metals may disagree with the position taken by the various other parties resulting in a dispute that could potentially initiate litigation and cause Transition Metals to incur legal costs in the future. Given the speculative and unpredictable nature of litigation, the outcome of any such disputes could have a material adverse effect on Transition Metals.

COVID – 19

Due to the worldwide COVID-19 “COVID-19” outbreak, material uncertainties may come into existence that could influence management's going concern assumption. Management cannot accurately predict the future impact COVID-19 may have on:

- The global demand for crude oil
- The severity and the length of potential measures taken by governments to manage the spread of the virus and their effect on labour availability and supply lines;
- Availability of essential supplies;
- Purchasing power of the Canadian dollar; and
- Ability to obtain funding

COVID-19 has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown currently, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Corporation in future periods.

Dependence on Key Employees

The Company's business and operations are dependent on retaining the services of a small number of key employees. The success of the Company is, and will continue to be, to a significant extent, dependent on the expertise and experience of these employees. The loss of one or more of these employees could have a materially adverse effect on the Company. The Company does not maintain insurance on any of its key employees.

Potential Dilution

The issue of shares upon the exercise of stock options and warrants will dilute the ownership interest of the Company's current shareholders. The Company may also issue additional options and warrants or additional shares from time to time in the future. If it does so, the ownership interest of the Company's then current shareholders could also be diluted.

Extreme volatility

The extreme volatility occurring in the financial markets is a significant risk for the Company. As a result of the market turmoil, investors have been moving away from assets they perceive as risky to those they perceive as less so. Companies like Transition Metals are considered risk assets and as mentioned above are highly speculative. The volatility in the markets and investor sentiment may make it difficult for Transition Metals to access the capital markets to raise the capital it will need to fund its current level of expenditures.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. 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 comprehensive income in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

RESPONSIBILITY FOR FINANCIAL STATEMENTS

The information provided in this report, including information from the related audited financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to decide of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgements and have been properly reflected in the financial statements.

As part of the oversight role of the Board of Directors to ensure the Company's disclosures contain no misrepresentations, the Audit Committee reviews the interim and annual financial statements and MD&A prepared by management, and the preparation process. The Audit Committee, once satisfied, recommends the statements and MD&A to the Board of Directors for approval. The Board considers the financial statements and MD&A before approving them for filing in the prescribed manner.

INTERNAL CONTROLS

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

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

- i. controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- ii. a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate.

Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

RECENT ACCOUNTING PRONOUNCEMENTS

Standards to be adopted

IAS 1 – Presentation of Financial Statements (“IAS 1”) was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or noncurrent is based solely on a company’s right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company’s own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendments are effective for annual periods beginning on January 1, 2023.

IAS 37 – Provisions, Contingent Liabilities, and Contingent Assets (“IAS 37”) was amended. The amendments clarify that when assessing if a contract is onerous, the cost of fulfilling the contract includes all costs that relate directly to the contract – i.e. a full-cost approach. Such costs include both the incremental costs of the contract (i.e. costs a company would avoid if it did not have the contract) and an allocation of other direct costs incurred on activities required to fulfill the contract – e.g. contract management and supervision, or depreciation of equipment used in fulfilling the contract. The amendments are effective for annual periods beginning on January 1, 2022.

IAS 16 – Property, Plant and Equipment (“IAS 16”) was amended. The amendments introduce new guidance, such that the proceeds from selling items before the related property, plant and equipment is available for its intended use can no longer be deducted from the cost. Instead, such proceeds are to be recognized in profit or loss, together with the costs of producing those items. The amendments are effective for annual periods beginning on January 1, 2022.

IFRS 10 – Consolidated Financial Statements (“IFRS 10”) and IAS 28 – Investments in Associates and Joint Ventures (“IAS 28”) were amended in September 2014 to address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business. The effective date of these amendments is yet to be determined, however early adoption is permitted.