



Harfang Exploration Inc.

Management's Discussion and Analysis.
Quarterly Highlights

Three months ended April 30, 2020

Harfang Exploration Inc.

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The following quarterly highlights management's discussion and analysis (the "MD&A Highlights") of the financial condition and results of the operations of Harfang Exploration Inc. (the "Corporation") constitutes management's review of the factors that affected the Corporation's financial and operating performance for Q1-21.

The MD&A Highlights should be read in conjunction with the Corporation's unaudited condensed interim financial statements for the three months ended April 30, 2020 prepared in accordance with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") as well as with the management discussion and analysis for the year ended January 31, 2020. All figures are in Canadian dollars unless otherwise noted.

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

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

1. NATURE OF ACTIVITIES

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

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

2. CORPORATE UPDATE

2.1 Financial Highlights

The Corporation has working capital of \$2,403,656 as at April 30, 2020, (\$2,714,848 as at January 31, 2020). From this working capital, the Corporation has to dedicate \$81,140 and \$424,468 respectively, to Canadian mining properties exploration, pursuant to the terms of the March 20, 2019 and December 16, 2019 flow-through financings. The Corporation is constantly seeking financing or business opportunities.

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2. CORPORATE UPDATE (CONT'D)

The Corporation reported a net loss of \$304,299 in Q1-21 (\$185,131 in Q1-20). The main variations are as follow:

- Exploration and evaluation expenditures, net of tax credits \$173,552 (\$143,916 in Q1-20) (see section on exploration and evaluation activities for details of exploration and evaluation expenditures).
- Consulting and professional fees for \$53,135, office and administrative for \$23,537, travel, conference and investor relations for \$53,897 and filing fees for \$8,573, for an aggregate of \$139,142 (\$61,899 in Q1-20). There was an increase of consulting and professional fees specifically, as the audit fees in Q1-21 were higher due to timing differences. There was also an increase of travel, conference and investor relations expenses resulting by a contract signed with a new consultant in Q4-20 and finally, an increase of office rent expenses.
- Deferred income taxes recovery for \$48,500 (\$45,293 in Q1-20). This recovery consists mainly in the amortization, in proportion of the exploration work completed, of the premium related to flow-through shares renunciations following the March 20, 2019 private placement.

On May 20, 2020 the Board of Directors of the Corporation has decided to extend until July 12, 2022 the expiry date of the 1,282,500 warrants issued in connection with a private placement closed on July 12, 2018.

On May 22, 2020, the Corporation granted to its directors, officers, employees and consultants 337,500 options exercisable at an exercise price of \$0.25, valid for 10 years. The options vested 100% at the grant date.

During the Q1-21, an outbreak of a new strain of coronavirus (COVID-19) resulted in a major global health crisis which continues to have impacts on the global economy and the financial markets at the date of completion of the financial statements. These events may cause in the future significant changes on the Corporation's ability to complete planned exploration and evaluation activities, meet its obligations according to the terms of the flow-through financings or our ability to obtain debt and equity financing. Following these events, the Corporation has taken and will continue to take action to minimize the impact. However, it is impossible to determine the financial implications of these events for the moment.

3. EXPLORATION ACTIVITIES

	Q1-21	Q1-20
	\$	\$
Lake Ménarik		
Salaries and benefits	9,324	4,955
Geology	1,984	250
Transportation	356	342
Lodging and food	46	65
Supplies and equipment	-	28
	11,710	5,640
Ménarik East		
Salaries and benefits	3,700	-
	3,700	-

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3. EXPLORATION ACTIVITIES (CONT'D)

	Q1-21	Q1-20
	\$	\$
Serpent		
Salaries and benefits	33,146	30,767
Geology	50,537	11,306
Analysis	9,047	63
Transportation	497	518
Geophysics	51,550	85,000
Lodging and food	45	97
Supplies and equipment	1,703	850
	146,525	128,601
Lake Fagnant		
Salaries and benefits	-	1,607
Geology	1,024	279
Recharge to partners	(614)	(1,131)
	410	755
Lake Aulneau		
Salaries and benefits	-	118
Geology	250	-
	250	118
Kali		
Salaries and benefits	3,771	-
Geology	969	-
	4,740	-
Generation		
Salaries and benefits	6,217	8,380
Geology	-	422
	6,217	8,802
Total		
Salaries and benefits	56,158	45,827
Geology	54,764	12,257
Analysis	9,047	63
Transportation	853	860
Geophysics	51,550	85,000
Lodging and food	91	162
Supplies and equipment	1,703	878
Recharge to partners	(614)	(1,131)
	173,552	143,916

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

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

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3. EXPLORATION ACTIVITIES (CONT'D)

3.1 Lake Ménarik Property

Property Description

As at April 30, 2020, the Corporation owns a 100% interest on 110 claims totalling 5,653 ha in NTS Sheet 33F06. The property is located 45 km south of Radisson and 7 km northeast of the junction between the Transtaiga Road and the James Bay Road. Most claims of the Lake Ménarik Property are subject to a 2% net smelter return royalty which Osisko Gold Royalties Ltd ("Osisko") is retaining. The property is known for its gold potential related to monzonite-associated and orogenic mineralization styles hosted in an Archean greenstone belt of the La Grande Subprovince. High-grade gold occurrences are abundant in the main monzonitic intrusion and adjacent volcano-sedimentary rocks, particularly associated with quartz veins and structural lineaments.

Exploration work on the property

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

3.2 Ménarik East Property

Property Description

As at April 30, 2020, the Corporation owns a 100% interest on 64 claims covering 3,289 ha in NTS Sheet 33F06. This property, contiguous to the Lake Ménarik Property, is located 48 km southeast of Radisson. It is known for its chromium, platinum, palladium, nickel and copper potential hosted in an ultramafic-mafic complex and its gold potential associated with structural lineaments. These lithologies are part of the La Grande Subprovince.

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

Exploration work on the property

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

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3. EXPLORATION ACTIVITIES (CONT'D)

3.3 Serpent Property

Property Description

As at April 30, 2020, the Corporation owns 552 mining claims covering 28,312 ha referred to as the Serpent Property. The property is located in NTS sheets 33F02 and 33F03, 90 km SSE of Radisson and is adjacent to the James Bay Road. Its eastern limit is contiguous to the Sakami gold project (Quebec Precious Metals Corporation ("QPM")). All of these claims were staked by map designation and are 100%-owned by the Corporation. The Serpent Property is known for its Au (up to 15 showings) and Cu-Au-Ag (Mista) potential hosted in an under-explored part of the Archean intrusive basement of the La Grande Subprovince. High-grade gold occurrences are all associated with WNW-ESE shear zones with decimetric (10-30 cm wide) quartz veins hosted in foliated/gneissic tonalite and gabbroic dykes or at the contact between both lithologies. The Mista prospect, mapped over at least 350 m laterally, corresponds to a sulfide-bearing quartz-rich arenite injected by quartz veins.

Exploration work on the property

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

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

The gold-in-till anomaly is defined by a cluster of 9 till samples containing between 26 and 324 gold grains. Gold analytical results of the non-magnetic heavy mineral concentrates of these tills, recently obtained from Actlabs (Ancaster, Ontario), returned very significant values including many samples grading from 1 to >30 g/t Au. According to Stuart Averill (P.Geo), founder and chairman of Overburden Drilling Management Ltd. ("ODM"), the gold-in-till anomaly at Serpent may be considered as one of the most significant in Canada. ODM was mandated to proceed with the gold grain count of the till samples. High-grade gold occurrences at Serpent are mainly associated with shear zone-hosted quartz veins. A major East-West structural break extending over more than 4 km, and interpreted from magnetic discontinuities, represents a prime exploration target up-ice of the gold-in-till anomaly.

Fieldwork operations on the project resumed on June 1, 2020. Our field crew, composed of 8 people, undertook prospecting in the gold-in-till anomaly area which is located in an unexplored portion of the property. Meanwhile, TMC resumed the second part of the IP survey which was halted in March 2020. This survey covers the gold-in-till anomaly which is the primary focus of our fieldwork during June 2020.

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

Prior to the summer field intervention, letters were sent to specific members of the Wemindji Cree community (Chief, Local Fur Administrator, Tallymen) to inform them about the Corporation's summer activities. Also, due to the COVID-19 issue, a document entitled "Management Plan and Precautional Measures" was sent to the Cree Nation Government and the Cree Mineral Exploration Board.

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3. EXPLORATION ACTIVITIES (CONT'D)

3.4 Lake Fagnant Property (joint venture)

Property Description

As at April 30, 2020, the Lake Fagnant Property is an aggregate of 68 mining claims totaling 3,352 ha located in NTS sheets 33N02 and 33N03. These claims were staked by map designation by the Corporation, Kenorland Minerals Ltd. ("Kenorland") and UrbanGold Minerals Inc. ("UrbanGold"). The property is located 55 km east of Whapmagoostui/Kuujuarapik (Nunavik) and 155 km north of Radisson (James Bay). It covers the northwestern portion of the Archean Great Whale greenstone belt in the Minto Subprovince of the Superior Province. The property is known for its gold potential associated with structural corridors.

There are five mining claims subjected to a 1% net smelter return royalty (NSR) shared between Geotest Corporation (0.5%) and Wayne Holmstead (0.5%). Under the joint venture agreement, the initial respective participating interests of the participants are as follows: 40% for the Corporation, 40% for Kenorland and 20% for UrbanGold. The operator of the joint venture will be the Corporation for as long as its participating interest is equal to or greater than the others participants'. If the Corporation's or Kenorland's interest is diluted to less than 10%, it will be converted into a 1% NSR royalty on the Lake Fagnant Property. The operator will have the right to buy-back half of this royalty (0.5% NSR) for \$500,000 or, under certain circumstances, the aggregate royalty (1% NSR) for \$1,000,000. If UrbanGold's participating interest is diluted to less than 10%, then UrbanGold interest will be converted to a 0.5% NSR royalty on the Initial Claims. The operator will have the right to buy-back half of the NSR royalty (0.25% NSR) for \$250,000 or, under certain circumstances, the aggregate royalty (0.5% NSR) for \$500,000. As at April 30, 2020, the participating interests of the participants have not changed.

Exploration work on the property

The Corporation has not done any fieldwork on the Lake Fagnant Property during Q1-21 and is not planning fieldwork on the property during Fiscal 21. The Corporation, Kenorland and UrbanGold are looking for an additional partner to undertake exploration on the property.

3.5 Lake Aulneau Property

Property Description

As at April 30, 2020, the Lake Aulneau Property is composed of 143 mining claims totaling 6,720 ha located in NTS sheets 24C15, 24C16 and 24F02 (Nunavik). All of these claims, 100%-owned by the Corporation and staked by map designation, cover rocks belonging to the Labrador Through. The property is located 125 km south of Kuujuaq and 265 km north of Schefferville. It is known for its copper, nickel, platinum and palladium potential hosted in mafic intrusions.

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

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3. EXPLORATION ACTIVITIES (CONT'D)

Exploration work on the property

The Corporation has not done any fieldwork on the Lake Aulneau Property during Q1-21 and is not planning any additional work on the property during summer 2020. The Corporation is currently looking for a partner to develop and advance the project.

3.6 Lake Tapiatic Property

Property Description

As at April 30, 2020, the Lake Tapiatic Property is composed of 146 mining claims totaling 7,430 ha located in NTS sheets 33G12 and 33G13. All of these claims, 100%-owned by the Corporation. The property is located in the James Bay area, approximately 110 km east of the Radisson village and just 2 km north of the La Grande-3 hydroelectric power plant. It is easily accessible all-year round by ground transportation. This property is considered as prospective for gold and copper mineralizations.

Dominant lithologies include highly folded wacke, paragneiss, iron formation and basalt forming one of the largest Archean volcano-sedimentary basins near the contact between the La Grande and Opinaca subprovinces. Three strong copper anomalies (>112 ppm Cu; >99.8 percentiles) in lake-bottom sediments were obtained in 1973 and 1974 surveys in the southern part of the property. No precious and/or base metal showing was known inside the limits of the property prior to the Corporation's field operations. Historical exploration was minimal and apparently guided towards the iron potential of the numerous oxide-facies iron formations found inside and outside of the property.

Exploration work on the property

The Corporation has not done any fieldwork on the Lake Tapiatic Property during Q1-21 and is not planning any additional work on the property during summer 2020.

3.7 Kali Property

Property Description

As at April 30, 2020, the Kali Property is composed of 194 mining claims totaling 10,180 ha. This group of claims, separated into two blocks, forms the Kali Property which is 100%-owned by the Corporation. The property is located in the James Bay area, 280 km north of Matagami. The western block of claims is located 20 km east of Eastmain's Cree Community and is accessible by air transportation or by boat along the Eastmain River. It is located 15 km southwest of Azimut's Patwon prospect. The eastern block is located immediately west of the James Bay paved road and is easily accessible by ground transportation (ATV trail) or by boat along the Eastmain River. This property is considered as highly prospective for gold mineralization.

Exploration work on the property

The Corporation is currently compiling historical geological data along this portion of the Lower Eastmain greenstone belt which will evolve in designing the first exploration program on this property.

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3. EXPLORATION ACTIVITIES (CONT'D)

3.8 Acquisition of the Bonfait Property

Property Description

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

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

Exploration work on the property

The Corporation is currently compiling historical geological data in the area covered by the project. This work will evolve in designing the first exploration program on this property.

3.9 Acquisition of the La Passe Property

Property Description

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

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

Exploration work on the property

The Corporation is currently compiling historical geological data in the area covered by the project. This work will evolve in designing the first exploration program on this property.

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3. EXPLORATION ACTIVITIES (CONT'D)

3.10 Projects Generation

During Q1-21, the Corporation continued its geological compilation program for the acquisition of new strategic gold and base metal properties in Québec. The new Bonfait and La Passe projects were recently created from our generative program. Other new geological targets could be tested by prospecting during our 2020 exploration program.

June 17, 2020

(s) François Goulet

François Goulet
President and CEO

(s) Yvon Robert

Yvon Robert
CFO