Wolfden Resources Corporation

MANAGEMENT'S DISCUSSION & ANALYSIS OF

FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Form 51-102F1

For the years ended December 31, 2019 and 2018

(Stated in Canadian Dollars)

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Date of Report: April 15, 2020

General

The following Management's Discussion and Analysis (“MD&A”) of Wolfden Resources Corporation should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2019 with a comparative period for the year ended December 31, 2018, and the notes thereto. The Corporation’s audited consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”). Unless otherwise stated, all amounts discussed herein are denominated in Canadian dollars. This MD&A was prepared as of April 15, 2020, and all information is current as of such date. Readers are encouraged to read the Corporation’s public information filings on SEDAR at www.sedar.com.

This discussion provides management's analysis of Wolfden’s historical financial and operating results and provides estimates of Wolfden’s future financial and operating performance based on information currently available. Actual results will vary from estimates and the variances may be significant. Readers should be aware that historical results are not necessarily indicative of future performance.

Certain information set forth in this MD&A, including management's assessment of the Corporation's future plans and operations, contains forward-looking statements. By their nature, forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond the Corporation’s control, including the impact of general economic conditions, industry conditions, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other industry participants, the lack of availability of qualified personnel or management, stock market volatility and ability to access sufficient capital from internal and external sources. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be inaccurate and, as such, reliance should not be placed on forward-looking statements. Wolfden’s actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits, if any, that Wolfden will derive there from. Wolfden disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise except as required by applicable law.

Corporate Overview

Wolfden Resources Corporation (the “Corporation” or "Wolfden") was incorporated under the laws of the Province of Ontario on August 12, 2009.

On October 18, 2012 the Corporation completed its initial public offering and received approval from the TSX Venture Exchange to list its common shares on the TSX-V as a Tier 1 Mining Issuer, and began trading under the symbol WLF.

Operational Highlights Q4 2019

Wolfden Resources Corporation Wolfden Resources Corporation is engaged in the exploration and development of mineral properties in North America. Its principal focus is on advancing its wholly owned high-grade (Zn, Pb, Cu, Ag, Au) VMS Pickett Mountain Project in Maine, USA (the "Project"). Located close to excellent infrastructure, the Corporation plans to complete sufficient exploration, definition and expansion drilling and various technical studies in order to demonstrate the economic potential for an underground mining scenario on the Project.

Pickett Mountain Project, Maine

The Pickett Mountain Zn-Pb-Cu-Ag-Au deposit is one of the highest-grade undeveloped volcanogenic massive sulphide deposits (VMS) in North America. The deposit was discovered in 1979, using a combination of soil surveys, ground geophysical surveys and diamond drilling and has not been explored since 1989. Minimal exploration has occurred in the State of Maine since that time as compared to the adjacent Province of New Brunswick which hosts similar geological terrain and one of the world's most prolific base metal mining camps. Maine has recently changed its mining laws (2017) that includes a more definitive mine permitting process and no permit requirement for basic grass-roots exploration techniques such as line cutting, geophysical and geochemical surveys, trenching and drilling.

Since acquiring the Property in November 2017, Wolfden has completed an airborne geophysical survey (VTEMTM), ground Time-Domain (TDEM) electromagnetic surveys, bore-hole electromagnetic surveys, ground induced polarization surveys (IP) and gravity surveys, geological mapping, soil sampling, trenching and diamond drilling.

On January 7, 2019 the Corporation completed a National Instrument 43-101 compliant Mineral Resource estimate for the Pickett Mountain deposit that is based on a 9.0% ZnEq (Zinc Equivalent) cut-off as tabulated below.

MINERAL RESOURCE STATEMENT – JANUARY 7, 2019								
Category	**Tonnes**	**% Zn**	**% Pb**	**% Cu**	**g/t Ag**	**g/t Au**	**Density**	**% ZnEq**
Indicated	2,050,000	9.88	3.93	1.38	101.58	0.92	3.99	19.32
Inferred	2,030,000	10.98	4.35	1.20	111.45	0.92	4.00	20.61

Preliminary metallurgical test-work commenced during Q2 2019 by RDI Minerals using drill core sample rejects from the 2018 and 2019 drill program in an effort to confirm and potentially improve upon the previously positive base metal recoveries from work completed in the 1980's. Test-work included grinding and flotation confirmatory and optimization work, concentrate and tailings characterization, as well as preliminary chemical and water balances. Results from this test work are in line or improved for each of the valuable minerals targeted. A metallurgical drill hole (PM-140) was completed and the samples remain in cold storage at RDI for future and more detailed analysis. Based in part on the results of the test work completed in 2019, preliminary environmental baseline work is planned for 2020 and collectively, is expected to supplement the next technical study for the project.

The 2019 Pickett Mountain Exploration Program Results

The 2019 exploration program at Pickett Mountain was largely extensive mapping, trenching, soil sampling of new potential target areas while the limited drill program (3,539 metres) sought to test the expansion potential of the Footwall zone discovered in late 2018 in hole PM-031 that yielded 3.1 metres at 38.2% ZnEq. The first wedge hole yielded 4.2 metres at 15.3% ZnEq however, additional deep drilling and other wedge holes were lost by the drillers and the program was terminated prematurely until a suitable crew could be assembled. Subsequent re-interpretation of the geology in this area as progressed and these ideas will be further tested in the next drill program. Similarly, deeper drilling to test the expansion potential of the West and East lenses at depth, based on new structural interpretations, are priority targets for the next drill program.

As part of the 2019 drill program, 13 previous drill holes were reamed for down-hole geophysics (bore hole electromagnetics – BHEM). All holes were successfully surveyed and the results confirmed this technique can be used to identify the East and West Lens extensions at depth that occur within a 100-200 m distance of the hole. Although obvious depth potential exists with both lenses from 400 to 800 metres below surface and perhaps beyond, the next drill will prioritize near surface targets (conductors) with coincident soil and whole rock geochemical signatures.

At depth on the East Lens, hole 137A, a wedge hole off of hole 137, targeting the deeper FWZ, unexpectedly intersected 9.6 m of the East Lens at 6.7% ZnEq (3.0% Zn, 1.3% Pb, 0.5% Cu, 54.0 g/t Ag & 0.3 g/t Au) in semi massive to massive sulphides that includes a higher-grade portion of 2.6 m at 11.7% ZnEq (6.2% Zn, 2.7% Pb, 0.4% Cu, 109.4 g/t Ag & 0.3 g/t Au). Hole 137A also intersected the East Lens yielding 3.5m at 2.3% ZnEq. A subsequent BHEM survey of hole 137A and another nearby historic hole, yielded strong build-up conductors, suggesting potential expansion of the East at depths of 400 to 700 vertical metres.

Drill hole PX-001, the last hole completed in the 2019 exploration program, tested an historic drill hole with coincident gravity and soil anomalies, situated 500 metres to the north and parallel to the main horizon hosting the East Lens. The hole intersected a 200 m felsic stringer zone with disseminated sulphide mineralization and silica-sericite alteration. This type of rock unit along with the sulphides and alteration is a typical marker in main zone suite of rocks and could possibly be a significant indicator that another base metal rich sulphide lens is nearby. Unfortunately the hole was stopped short of the planned target depth with core barrel jammed at the bottom of the hole. This area and its trend have been followed up with a winter gravity survey and warrant additional drilling in the next program.

Results of the 2019 programs including mapping, trenching, whole rock geochemistry and relogging of historic and Wolfden drill holes continue to suggest that the deposit and surrounding area holds potential for the expansion know mineralization and the discovery of other massive sulphide lenses. Many of the historic drill holes in the area (off of the main horizon) contain broad intervals of highly anomalous Zn-Pb values within strongly altered volcanic rocks, similar to those of the Pickett Mountain resource. An additional large-loop EM geophysical survey was completed during the quarter that identified new drill targets along trend of the East and West Lenses that will be followed up in 2020 with additional ground surveys and diamond drilling.

Numerous quality targets were defined by Wolfden's VTEM airborne geophysical survey. Work on these targets included mapping, whole-rock geochemistry and soil sampling that collectively, yielded compelling results. These targets have never been previously identified or drilled and Wolfden plans to be in a position to drill test these targets in 2020.

2019 Metallurgical Program/Technical Update

RDI Laboratories in Colorado processed a representative bulk sample comprised of the Wolfden 2018 drill core. Results of the flotation test work indicate that zinc and copper have high recoveries and concentrate grades as anticipated from historical results. The copper circuit recovery is anticipated to be 80.5% Cu, and a concentrate grade of 27.0% Cu. The Zinc circuit recovery is anticipated to be 87% Zn, with a concentrate grade of 62.3% Zn. The lead circuit requires more detailed analysis of fresh material that was collected from drill hole PM-140 and stored before year-end. This work along with a more detailed comprehensive metallurgical study is not required for the completion of preliminary assessment study planned for 2020 and therefore will be pushed forward until a prefeasibility study has commenced.

The majority (41% to 52%) of the gold and silver present in the 2019 metallurgical sample reported to the copper concentrate during sequential flotation. Approximately 20% of the gold and 30% of the silver reported to the lead concentrate, while the rest of the precious metals were collected in the zinc concentrate and tailings.

The Corporation has been working on various components of a Preliminary Economic Assessment including the conceptual mine, processing and environmental designs, that have been included in a re-zoning application that was submitted to the Land Use Planning Commission ("LUPC") in January 2020. The Corporation has applied to re-zone a 500 acre portion of the property from an General Management (M-GN) parcel to a Planned Development parcel (P-DP) and upon approval, it could then be in a position to apply for a mining permit. The timeline for re-zoning is expected to be one to one and a half years and an additional two to three years for the mine permitting process. The Company expects to proceed through this process sequentially. The Corporation plans to continue in 2020 with the gathering of technical information and studies that will supplement any future internal project review and permitting processes.

Exploration Opportunities

During the fourth quarter, the geological team continued assessing and updating other in-house projects in New Brunswick and Manitoba, as well as performing some review of other potential exploration and development opportunities in North America, including Maine.

Pickett Mountain Timber Value

Wolfden owns the 6800-acre Pickett Mountain property including the timber rights. Over the last two years, the Corporation has managed to earned approximately US$600,000 from the harvesting of timber. On January 16, 2020, the Corporation announced that it sold US$5M worth of its remaining timber in a 5 year stumpage agreement, for which it has received US$3M and will receive an additional US$1.5M between the 4th and 5th anniversary of the agreement. Altius, Wolfden's largest shareholder, receives 20% of all the timber value harvested at Pickett Mountain. The net result is a US$2.4M non-dilutive financing that the Corporation has secured and will use to further advance the project in 2020.

Results of Operations

The following table provides selected financial information and should be read in conjunction with the Corporation's audited financial statements for the periods below.

	Year ended December 31, 2019 $	Year ended December 31, 2018 $	Year ended December 31, 2017 $
Operations			
Other Income	**1,183,436**	1,378,770	8,517,870
Loss for the year	**(2,319,881)**	(5,151,919)	(5,279,570)
Comprehensive loss for the year	**(2,407,567)**	(5,229,946)	(5,279,570)
Basic and diluted loss per share	**(0.02)**	(0.05)	(0.01)
Balance Sheet			
Working capital	**790,117**	114,520	3,679,234
Total assets	**1,074,987**	1,242,516	4,098,282
Total liabilities	**(283,502)**	(1,123,849)	(419,048)

Summary of Quarterly Results

The following table sets out selected quarterly financial data for the most recently completed interim quarters:

Quarter	2019 Fourth	2019 Third	2019 Second	2019 First	2018 Fourth	2018 Third	2018 Second	2018 First
	($)	($)	($)	($)	($)	($)	($)	($)
Investment income	4,248	8,127	6,377	1,149	3,033	2,353	2,194	2,262
Operating expenses	871,410	1,225,159	925,324	392,789	2,059,825	1,589,292	1,624,888	932,703
Operating loss	(807,479)	(283,125)	(1,004,732)	(224,545)	(2,151,916)	(1,586,939)	(1,537,412)	(930,441)
Comprehensive loss	(869,482)	(269,934)	(987,597)	(280,554)	(2,079,584)	(666,877)	(1,553,044)	(930,441)
Loss per share	-	-	(0.01)	(0.01)	(0.02)	(0.01)	(0.01)	(0.01)

Overall Performance

The comprehensive loss for the three months ended December 31, 2019 was $869,482 as compared to comprehensive loss for the same period of the previous year of $2,079,584. This decrease in comprehensive loss was attributed to lower exploration and evalution activities in the current three months ended December 31, 2019. The comprehensive loss for the year ended December 31, 2019 was $2,407,567, while the loss for the year ended December 31, 2019 was $2,319,881, the difference of $87,686 was attributed to exchange differences on translation of foreign operations. The loss for the year ended December 31, 2019 was $2,832,038 lower when compared to the loss of $5,151,919 in the same period of the previous year. The primary reason for the variance is that in 2018 there was significantly higher spending done on the Pickett Mountain property. Exploration and evaluation expenses of $662,365 were incurred in the three month period ending December 31, 2019, and $2,347,314 in the year ending December 31, 2019, as compared to $1,879,040 in the three period ending December 31, 2018, and $4,701,618 in the year ending December 31, 2018. Share-based payments of $37,712 were incurred in the three month period, and $324,175 in the year ending December 31, 2019 as compared to $nil in the three month period and $605,090 in the year ending December 31, 2018. General and admin expenses in the three month period ending December 31, 2019 were $165,679, and $668,378 for the year ending December 31, 2019, as compared to $152,893 for the three month period, and $743,319 for the year ending December 31, 2018. Professional fees for the three months ended December 31, 2019 were $16,024 and $73,937 for the year ending December 31, 2019 as compared to $29,467 for the three month period ending December 31, 2018 and $157,336 for the year ending December 31, 2018. Overall operating expenses for the three month period ending December 31, 2019 were $807,479, and $3,414,682 for the year ending December 31, 2019, as compared to $2,061,194 for the three month period ending December 31, 2018 and $6,206,708 for the year ending December 31, 2018. All of these noted fluctuations are a result of regular operating activities of the Corporation in the current period.

The major components of general and administrative costs three month period ending December 31, 2019 include investor relations charges of $21,337, rent of $6,036, executive salaries and wages not charged to exploration of $35,618, corporate accounting fees of $25,550, and business and director's insurance expense of $2,829 and $2,586. The major components of general and administrative costs for the year ended December 31, 2019 include investor relations charges of $21,337, rent expense of $24,144, executive salaries and wages not charged to exploration of $217,329, corporate accounting fees of $91,700 not charged to exploration, shareholder communications of $25,697, travel expense of $20,466, and business and director's insurance expense of $13,037 and $10,260, respectively.

Over the eight previous quarters, the Corporation has seen the loss vary depending primarily on the amount of exploration expenditures, as well as financing available, while managing to keep a control on the administrative expenses, with slight variances due to personnel levels. On a go forward basis the Corporation will continue to monitor expenditures closely as the Corporation continues its work on the current property portfolio, as well as exploring other potential opportunities as they arise.

The Corporation recorded $4,965 of investment income for the three months ended December 31, 2019 and $19,901 in investment income for the year ended December 31, 2019 compared to $3,033 for the three months ended December 31, 2019 and $9,842 for the year ended December 31, 2018, this is due to investment balances on hand through the period and fluctuating return rates.

Exploration and Evaluation Expenditures

The Corporation incurred exploration and evaluation expenditures of $2,347,314 during year ended December 31, 2019, the breakdown of exploration and evaluation for the year to date is as follows:

	Rice Island	Pickett Mountain	Teta-gouche	Orvan Brook	Other	2019	Inception to date
	$	$	$	$	$	$	$
Analysis	-	229,746	4,058	-	-	**233,804**	**809,118**
Geological	7,323	445,887	63,375	39,709	7,645	**563,939**	**2,232,350**
Geophysical	2,350	249,535	44,688	-	-	**296,573**	**2,275,211**
Geochemical	-	16,704	2,994	5,322	-	**25,020**	**215,149**
Travel / Accom	2,142	89,831	490	3,546	-	**96,009**	**616,554**
Drilling	-	689,388	-	-	-	**689,388**	**5,788,532**
Property Work	27	54,182	3,770	40,056	-	**98,035**	**718,318**
Ops Support	13	101,889	1,620	1,633	-	**105,155**	**209,584**
Administration	78,615	2,768	54	38,290	-	**119,727**	**736,494**
Total Exploration	90,470	1,879,930	121,049	128,556	7,645	**2,227,650**	**13,601,310**
Other Costs*	58,091	51,351	20,610	(11,980)	1,592	**119,664**	**20,828,022**
Total	148,561	1,931,281	141,659	116,576	9,237	**2,347,314**	**34,429,332**

For the year ended December 31, 2018

	Rice Island	Pickett Mountain	Teta-gouche	Orvan Brook	Other	2018	Inception to December 31 2018
	$	$	$	$	$	$	$
Analysis	-	78,988	1,969	1,950	-	**82,907**	**575,314**
Geological	-	377,594	3,350	135,025	33,516	**549,485**	**1,668,411**
Geophysical	2,719	1,136,622	11,880	-	-	**1,151,221**	**1,978,638**
Geochemical	-	9,152	5,183	-	-	**14,335**	**190,129**
Travel / Accom	-	168,691	-	4,213	2,410	**175,314**	**520,545**
Drilling	-	2,007,914	43,293	219,628	-	**2,270,835**	**4,995,609**
Property Work	-	72,176	4,521	56,670	-	**133,367**	**620,283**
Ops Support	-	117,471	2,340	7,086	-	**126,897**	**207,964**
Administration	72,525	1,742	208	38,382	400	**113,257**	**616,767**
Total Exploration	75,244	3,970,350	72,744	462,954	36,326	**4,617,618**	**11,373,660**
Other Costs*	65,091	15,937	19,760	(18,380)	1,592	**84,000**	**20,708,358**
Total	140,335	3,986,287	92,504	444,574	37,918	**4,701,618**	**32,082,018**

*Included in other costs is government assistance received.

Mineral Property Acquisitions and Agreements

Maine, U.S.A.

Pickett Mountain Property

On November 16, 2017, the Corporation acquired a 100% interest in the Pickett Mountain Property (the “Property”), located in Penobscot County, northern Maine, U.S.A for a cash purchase price of $11,292,055 (US$8.5 million) (the “Acquisition”).

To fund the acquisition of the Property, the Corporation entered into a Royalty Agreement that granted a 1.35% gross sales royalty on the Property to Altius Resources Inc. (“Altius”), a wholly owned subsidiary of Altius Minerals Corporation, for cash consideration of $7,663,800 (US$6,000,000) and completed a non-brokered private placement (the "Offering") of 20,200,000 subscription receipts ("Subscription Receipts") at a price of $0.25 per Subscription Receipt for gross proceeds of $5,050,000, with Altius subscribing for 14,200,000 Subscription Receipts. The subscription receipts were converted into 14,200,000 common shares of the Corporation.

Pursuant to the Royalty Agreement, Altius has the option to purchase an additional 0.50% gross sales royalty at any time before the first anniversary of commercial production for US$7,500,000. In addition, the Corporation granted Altius certain rights to convert the Pickett Mountain Royalty to equity under certain terms, or to exchange the royalty for a similar royalty on the Corporation's Orvan Brook property. Furthermore, the Corporation agreed to use its best efforts to transfer the timber rights in connection with the Pickett Mountain Project (the "Timber Rights") as soon as practicable. The gross proceeds to be received by Wolfden from the sale of the Timber Rights must be at least US$5,000,000 or such other amount as agreed to by Wolfden and Altius, acting reasonably (the "Timber Proceeds"). Upon such transfer, Wolfden is required to pay Altius 20% of the Timber Proceeds (such 20% amount being the "Timber Rights Consideration"), and deposit into escrow the amount equal to the greater of: (i) US$2,000,000, and (ii) 50% of the difference between the Timber Proceeds and the Timber Rights Consideration (the "Escrowed Proceeds"). The Escrowed Proceeds will be released in accordance with the terms of the Royalty Agreement. Any remaining Escrowed Proceeds will be released from escrow and paid to Wolfden within two business days after the occurrence of any of the following: (i) the first date of commercial production on the Pickett Mountain Project, provided that Wolfden has obtained all the required permits for commercial production on the Pickett Mountain Project; or (ii) the expiry of the Call Right Exercise Period (as defined below).

During the third quarter of 2018, Wolfden Mt. Chase LLC entered into a Forest Management Agreement with Huber Resources Corp. to harvest select portions of the timber on the Property. As per the terms of the contract, Huber has developed a long term forest plan to harvest and sell select portions of the Property, in a sustainable manner, so as to protect the forest and maintain its timber value. A portion (20%) of the sales receipts are paid to Altius, on a regular basis, which is consistent with the terms of the Royalty Agreement. For the year ended December 31 2019, the Corporation recorded net timber sales proceeds of $408,774 (US$ 308,092), that are net of Altius’s 20% share, as per the Altius agreement (2018 - $368,928). These funds are not being placed in escrow and have been included in the working capital of the Corporation.

Pursuant to the Royalty Agreement, Altius has a call right, conversion right and exchange right. Each is summarized below. As at December 31, 2019, Altius has not exercised any of these rights.

Call Right

For the period commencing 36 months following the transfer date of the Timber Rights and ending on the date that is 60 months following such transfer date (the "Call Right Exercise Period"), Altius will have the right to receive the Escrowed Proceeds upon the occurrence of a Trigger Event. A "Trigger Event" means the occurrence of any of the following events, as determined by Altius, acting reasonably: (i) the cancellation or revocation of any material permit required in connection with the Pickett Mountain Project, subject to a 30 day cure period; (ii) the delay of issuance or effectiveness of any permit required in connection with the Pickett Mountain Project for more than 30 days after the date on which Wolfden advised Altius that such permit was expected or required to be issued or effective; (iii) a change in applicable laws which materially adversely affects the Pickett Mountain Project; (iv) the failure to rezone the Pickett Mountain Project as required in connection with the Pickett Mountain Project prior to the date that is 30 months following the date of the Royalty Agreement; (v) Wolfden fails to diligently conduct, or ceases to diligently conduct, as applicable, exploration activities on the Pickett Mountain Project; or (vi) Wolfden fails to incur exploration expenses in respect of the Pickett Mountain Project of not less than US$5,000,000 in aggregate during the three year period ending on the third anniversary of the date of the Royalty Agreement.

Conversion Right

At any time after November 14, 2023, and, if the Timber Rights have not been transferred prior to November 14, 2018, at any time after November 14, 2018, Altius will have the right to convert the Pickett Mountain Royalty, in accordance with the terms of the Royalty Agreement, to cash or Common Shares, or a combination thereof (the "Conversion Right"). Upon the exercise of the Conversion Right, the Common Share consideration to be received by Altius will be equal to the lesser of: (a) the number of Common Shares that is equal in Royalty Value; and (b) the number of Common Shares that does not exceed 19.99% of all outstanding Common Shares on a partially diluted basis. The remaining balance of the Royalty Value is to be paid to Altius in cash. Under the Royalty Agreement, "Royalty Value" means an amount equal to the aggregate of: (i) all amounts paid by Altius to Wolfden (including the purchase price consideration paid by Altius) in respect of the Pickett Mountain Royalty, minus (ii) all Escrowed Proceeds received by Altius, minus (iii) all other payments received by Altius in respect of the Pickett Mountain Royalty. The Common Share conversion price is the greater of: (i) $0.05 per Common Share; and (ii) the volume weighted average trading price of the Common Shares on the TSXV (or any other principal exchange on which the Common Shares are trading) for the twenty consecutive trading days immediately preceding the date of the exercise of the Conversion Right. Upon the exercise of the Conversion Right and satisfaction of the payment thereof by Wolfden, any remaining Escrowed Proceeds will be released to Wolfden.

Exchange Right

Under the Royalty Agreement, Altius has the right to exchange the Pickett Mountain Royalty to a gross sales royalty in respect of the Orvan Brook property, which will be calculated and payable on the same terms as the terms of the Pickett Mountain Royalty in effect on the date of exchange, *mutatis mutandis*.

During the period ending June 30, 2019, Altius and Wolfden agreed to an amendment to their Offering and Subscription Agreements, dated November 14, 2017 whereby during any period when the common shares of Wolfden are trading on the Toronto Stock Exchange Venture Exchange at a volume-weighted average trading price of not less than $0.60 per common share for at least 20 consecutive trading days, it will, upon written request by Wolfden during such period, exercise its warrants. Altius currently holds 7,000,000 Wolfden common share purchase warrants priced at $0.35 per share with a termination date of November 15, 2022.

Other properties, Maine USA

On April 6, 2019, the Corporation's U.S. subsidiary entered into a mineral rights earn-in ageement on a property located in Maine, U.S.A. The agreement called for a first year payment of $25,000 USD.

New Brunswick, Canada

Tetagouche Property

On January 6, 2014, the Corporation closed a definitive purchase agreement (the "Agreement") to acquire a large strategic land package (the "Property") situated in the Bathurst Mining Camp and surrounding area in northeastern New Brunswick.

Wolfden acquired the Property from 8100896 Canada Inc., a wholly owned subsidiary of GeoVenCap Inc. (the "Vendor"). Pursuant to the terms of the Agreement, the Corporation purchased all of the Vendor's right, title and interest to and in the Property for cash consideration of $125,000 and 571,428 common shares of Corporation (the "Consideration Shares") having a value of $100,000. The Consideration Shares were subject to a four month hold period under applicable securities laws in Canada.

Orvan Brook Property

On January 3, 2017, the Corporation acquired through claim staking the Orvan Brook property located in the Bathurst Mining Camp, west of the town of Bathurst, New Brunswick.

Clarence Stream Property Agreements

On August 2, 2016, the Corporation entered into a definitive option agreement (the “Option Agreement”) with 2520885 Ontario Inc. and Galway Metals Inc. (collectively the “Optioner”), whereby Optioner agreed to acquire a 100% undivided interest in Wolfden’s Clarence Stream property (the “Property”), located in southwestern New Brunswick.

In order to earn a 100% interest in the Property, the Optioner will make cash payments to Wolfden totaling $3,250,000 over a 3 year period (the “Option Period”). In addition, the Optioner will grant Wolfden a 1% Net Smelter Return Royalty (the “NSR”) from any minerals produced on the Property; the Optioner can purchase the NSR from Wolfden at any time for the sum of $2,000,000. The Optioner has made all payments as of August 2019 in order to earn a 100% interest in the Property less the 1% NSR held by Wolfden.

Under the terms of the Option Agreement, the Optioner will make scheduled cash payments to Wolfden comprising $750,000 on signing of the Option Agreement (the “Effective Date”) (payment received), $750,000 on or before the first anniversary of the Effective Date (payment received and included in "Gain on disposal of mineral properties" in 2017), $1,000,000 on or before the second anniversary of the Effective Date (payment received and included in "Gain on disposal of mineral properties' in 2018) and $750,000 on or before the third anniversary of the Effective Date. On July 9, 2019, the Corporation received $750,000 from Galway Metals Inc. as the final payment in relation to their Earn-in Option for completing a 100% interest in the Clarence Stream property. Wolfden retains a 1% NSR subject to buy back conditions held by Galway.

During the Option Period, the Optioner was solely responsible for carrying out and administering exploration, development and mining work on the Property and obtaining all regulatory and third party consents, approvals and authorizations to carry out such work.

Brunswick No. 6 West Property

On April 29, 2015, the Corporation acquired, by claim staking, the Brunswick No. 6 West property (the “Property"). The wholly owned Property is located southwest of the City of Bathurst, in the heart of the Bathurst Mining Camp.

Manitoba, Canada

Rice Island Property

On September 15, 2015, the Corporation acquired a 100% interest in the Rice Island nickel-copper deposit situated on the Rice Island property (the "Property") through claim staking. The Property is located in west-central Manitoba at Wekusko Lake, just east of the Snow Lake concentrator complex owned by Hudbay Minerals Inc.

During the fourth quarter of 2015, a Notice of Dispute (the "Notice") was filed with the Province of Manitoba with respect to the Rice Island, Manitoba claims. Specifically, the Notice states that an individual (the "Disputant") has taken the position that one of the claims recorded in favour of Wolfden is invalid due to the existence of the Disputant's claims on the land prior to Wolfden's staking of the claim. Wolfden has responded to the Notice and is confident that it has clear and legal title to the subject claim as confirmed by the issuing of the recording certificate by the Manitoba Mining Recorder. This matter was brought to a resolution in conjunction with the signing of the Rice Island Tie-On Property ("RITOP") agreement described below.

On September 21, 2016, the Corporation entered into an option agreement to expand the Rice Island property by earning a 100% interest in the Rice Island Tie-On Property, located adjacent to Wolfden's existing Rice Island property. Under terms of the option agreement with the Vendor, to earn a 100% interest in the RITOP, the Corporation must make cash payments totaling $250,000 and issue 500,000 common shares of Wolfden annually over a five year period, on or before the anniversary date of the signing of the agreement. A $25,000 cash payment and the issuance of 100,000 common shares was completed on signing. In addition, the Corporation must incur $1,000,000 in exploration expenditures over the same five year period including $100,000 in the first year. As at December 31, 2019, the exploration commitments have been completed.

Upon earning a 100% interest in the RITOP, the Vendor retains a 2.5% Net Smelter Royalty on the RITOP as well as on the Rice Island property; of which, Wolfden can purchase 1.5% of the Net Smelter Royalty for the sum of $1,500,000 (0.5% increments at $500,000 per each increment) for each of the properties. Wolfden also retains the right of first refusal on the remaining 1.0% Net Smelter Royalty held by the Vendor for each of the RITOP and Rice Island property.

Liquidity and Capital Resources

The Corporation's cash and cash equivalents balance was $312,646 at December 31, 2019 compared to $272,050 at December 31, 2018. Current assets at December 31, 2019 were $1,073,619 compared to $1,238,369 at December 31, 2018 and total assets at December 31, 2019 were $1,074,987 compared to $1,242,516 at December 31, 2018.

Operating Activities

For the year ended December 31, 2019, the Corporation used $2,676,954 in cash related to operating activities. The non-cash charges to earnings included depreciation of $540, share-based payments of $324,175, an exchange gain of $338, and non-cash acquisition costs of $13,000. These were partiall offset by a a non-cash gain for the revaluation of the restricted-share units of $3,939. For the year ended December 31, 2019, the Corporation also received $757,000 related to the Clarence Stream Agreement and received net proceeds of $408,774 from the sale of timber on the Pickett Mountain property. During the year, the majority of the cash used in operating activities can be attributed to the funding of day to day operations.

Investment Activities

For the year ended December 31, 2019, the Corporation redeemed cash of $43,074 on its investment activities. During the same period of the previous year the Corporation redeemed cash of $179,272 on its investment activities. The Corporation does not believe it is exposed to any material liquidity risks in relation to its investment activities.

Financing Activities

For the year ended December 31, 2019, the Corporation generated cash of $2,762,500; this was attributed to net proceeds from the private placements completed during the year, and proceeds from the exercise of warrants. During the comparative period for the previous year private placements were completed that provided $1,039,289 after share issue costs.

Outstanding share data

Common Shares

The Corporation’s authorized share capital consists of an unlimited number of common shares without par value. As at April 15, 2020, 129,934,505 common shares were issued and outstanding.

2019

Private Placement

On March 29, 2019, the Corporation completed a non-brokered (no agent) private placement with Kinross Gold Corporation ("Kinross") of 12,500,000 shares of the Corporation ("Common Shares") at a price of $0.20 per Common Share for gross proceeds of $2,500,000. The securities of the financing are subject to a four-month hold period under applicable Canadian securities laws, which expires July 30, 2019.

Shares Issued for Mineral Property

Rice Island

In respect of the option agreement related to the Rice Island Tie-On Property, on August 30, 2019, the Corporation issued 100,000 common shares to the vendor. These were valued at $0.13 per common share, totaling $13,000.

2018

Private Placement

On January 6, 2018, the Corporation completed a non-brokered private placement (the "Offering") of 750,000 units of the Corporation at a price of $0.29 per Share for gross proceeds of $217,500 with a Director of the Corporation. Each Unit comprised of one common share of the Corporation (a "Common Share") and one half (1/2) of one common share purchase warrant of the Corporation (each whole warrant, a "Warrant"). Each Warrant is exercisable to acquire one Common Share (a "Warrant Share") at a price of $0.61 for a period of 60 months from the closing date of the Offering. The shares issued under the Offering were subject to a four-month hold period that expired May 6, 2018.

Shares Issued for Mineral Property

Rice Island

In respect of the option agreement related to the Rice Island Tie-On Property, on September 12, 2018, the Corporation issued 100,000 common shares to the vendor. These were valued at $0.25 per common share, totaling $25,000.

Warrants

The following table reflects the share purchase warrants outstanding as at April 15, 2020:

Expiry Date	**Exercise Price** $	**Warrants Outstanding** #
November 15, 2022	0.35	10,100,000
January 15, 2023	0.61	375,000
		10,475,000

Stock Options

Expiry Date	Exercise Price $	Options Granted #	Options Vested #
March 09, 2022	0.75	1,260,000	1,260,000
August 18, 2021	0.13	950,000	950,000
March 09, 2022	0.14	50,000	50,000
July 20, 2022	0.14	945,000	945,000
December 29, 2022	0.53	600,000	400,000
July 10, 2023	0.30	2,440,000	2,440,000
February 12, 2024	0.30	300,000	100,000
April 29, 2024	0.20	600,000	600,000
June 26, 2024	0.20	200,000	200,000
September 01, 2024	0.20	200,000	200,000
		7,545,000	7,145,000

The Corporation applies the fair value method of accounting for all stock based compensation awards and accordingly, $87,800 for the December 29, 2022 options that vested during the year, $39,568 was recorded as compensation for the February 12, 2024 options that vested during the year, $72,966 was recorded as compensation for the April 29, 2024 options that vested during the year, and $42,100 was recorded as compensation for the September 1, 2024 options that vested during the year, totaling $242,433 (2018 - $539,240 was recorded as compensation for the July 10, 2023 options that vested during the year and $65,850 for the December 29, 2022 options that vested during the year, totaling $605,090). As of December 31, 2019 there were 400,000 unvested stock options (December 31, 2018 - 350,000 unvested stock options).

The were no options exercised during the period (the weighted average share price at date of exercise of the options for the year ending December 31, 2018 - $0.23).

The weighted average remaining life of the outstanding stock options is 4.2 years (December 31, 2018 - 3.78 years).

The Corporation currently estimates the forfeiture rate to be nil.

Restricted share unit plan

During the period, 1,208,750 Restricted Share Units ("RSUs") were issued under the restricted share unit plan of the Corporation. Each RSU has the same value as one Wolfden Resources Corporation common share. The RSUs vest equally over a three year period, vesting on June 26, 2019, April 29, 2020 and April 29, 2021. The Corporation estimated a forfeiture rate of nil% for RSUs issued during the period. The RSUs are expected to be settled in cash.

The share based payment liability for RSUs is $15,351 as at December 31, 2019 ($nil for December 31, 2018) based on the vesting conditions. A share based payment expense of $81,742 was recorded for the year ending December 31, 2019. At December 31, 2019 there were 1,208,750,000 RSUs outstanding (December 31, 2018 - nil) and the fair value of the RSUs at December 31, 2019 was $193,400 ($nil at December 31, 2018).

Related Party Transactions

The Corporation's related parties include key management personnel and entities over which they have control or significant influence as described below.

	Nature of transactions
2401794 Ontario Inc.	Facilities
DRAX Services Limited	Corporate secretarial and filing services

Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

The following are the related party transactions, recorded at the exchange amount as agreed to by the parties:

(a) Included in general and administrative expenses are amounts totaling $22,627 (2018 - $30,602) for rent paid to 2401794 Ontario Inc., a wholly-owned subsidiary of Premier Gold Mines Ltd., a company related to the Corporation through Ewan Downie, Ron Little, and John Seaman, who are all Directors of Wolfden and Premier.

(b) Included in general and administrative expenses are amounts totaling $5,000 (2018 - $12,046) for corporate secretarial services provided by DRAX Services Limited., related to the Corporation through Shaun Drake, Corporate Secretary of Wolfden. Drax Services Limited ceased to be a related party as of May 31, 2019.

Key management personnel remuneration includes the following amounts:

	2019 **$**	2018 **$**
Salary and wages	**318,000**	259,769
Share-based payments	**142,244**	364,200
Other compensation	**16,833**	10,419
Directors fees	**55,696**	19,500
	532,773	653,888

Commitments

The Corporation has commitments relating to an office lease, which includes rent, common cost, and co-op cost, expiring June 2020.

The minimum payments are as follows:

	$
2020	10,349

Critical Accounting Estimates and Judgements

In the application of the Corporation's accounting policies, which are described in Note 2, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Significant estimates

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods. Significant estimates include:

i. the inputs used in accounting for share purchase option expense in the statement of loss and comprehensive loss;

ii. the provision for income taxes which is included in the statements of loss and comprehensive loss and composition of deferred income tax assets and liabilities included in the statement of financial position which have not yet been confirmed by the taxation authorities, and

iii. the estimated useful lives of equipment and leaseholds which are included in the statement of financial position and the related depreciation included in the statement of loss and comprehensive loss.

Recent Accounting Pronouncements

The accounting policies adopted in the preparation of these consolidated financial statements have been prepared on the basis of all IFRS and interpretations effective as at December 31, 2019.

Accounting standards issued and effective January 1, 2019, recently adopted:

- IFRS 16, Leases introduces new requirements for the classification and measurement of leases. The standard was effective for annual reporting periods beginning January 1, 2019 although early application is permitted for companies that also apply IFRS 15 – Revenue from Contracts with Customers. The Corporation applied IFRS 16 with a date of initial application of January 1, 2019 using the modified retrospective approach, resulting in no restatement of prior year comparatives. The Corporation completed the assessment of it's equipment and building rentals, land leases and service agreements and determined there will be no significant impact on lease expense or depreciation expense. Upon adoption, the Corporation has elected to apply the available exemptions as permitted by IFRS 16 to recognize a lease expense on a straight-line basis for short-term leases (lease term of 12 months or less) and low value assets ($5,000 or less). There was close attention paid to all of the Corporation's drilling contracts to ensure that they did not contain embedded leases for property, plant and equipment. None of those contracts resulted in right of use of an asset.

- IFRIC 23, Uncertainty over Income Tax Treatments provides guidance on the accounting for current and deferred tax liabilities and assets in circumstances in which there is uncertainty over income tax treatments. The interpretation is applicable for periods beginning on or after

January 1, 2019. The Corporation has adopted the Interpretation in its financial statements for the annual period beginning on January 1, 2019, and has determined that there is no material impact or disclosures required.

Financial Instruments

Financial instruments consist of cash and cash equivalents, accounts receivable, investments, and accounts payable and accrued liabilities. The fair value of these financial instruments approximates their carrying value due to the short term to maturity, unless otherwise noted.

Risk Factors

An investment in the Corporation involves a number of risks. You should carefully consider the following risks and uncertainties in addition to other information in this report in evaluating the Corporation and its business before making any investment decision in regards to the common shares of the Corporation. The Corporations' business, operating and financial condition could be harmed due to any of the following risks. The risks described below are not the only ones facing the Corporation. Additional risks not presently known to us may also impair business operations.

Exploration and Mining Risks

The Corporation is engaged in mineral exploration and development activities. Mineral exploration and development involves a high degree of risk and few properties which are explored are ultimately developed into producing mines. The long-term profitability of our operations will be in part directly related to the cost and success of our exploration programs, which may be affected by a number of factors beyond our control.

Mineral exploration involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Corporation has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of mineral resources, any of which could result in work stoppages, damage to property, and possible environmental damage.

Hazards such as unusual or unexpected formations and other conditions such as formation pressures, fire, power outages, labour disruptions, flooding, explorations, cave-ins, landslides and the inability to obtain suitable machinery, equipment or labour are involved in mineral exploration, development and operation. We may become subject to liability for pollution, cave-ins or hazards against which we cannot insure or against which we may elect not to insure. The payment of such liabilities may have a material, adverse effect on our financial position.

The Corporation relies upon consultants and others for exploration and development expertise. Substantial expenditures are required to establish ore reserves through drilling, to develop metallurgical processes to extract the metal from the ore and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis. The economics of developing mineral properties is affected by many factors including the cost of operations, variations in the grade of ore mined, fluctuations in metal markets, allowable production, importing and exporting of minerals and environmental protection.

Financing Risks

The Corporation is limited in financial resources, and as a mineral exploration company has no source of operating cash flow. The Corporation has no assurance that additional funding will be available to us for further exploration and development of our projects or to fulfill our obligations under any applicable agreements. There can be no assurance that we will be able to obtain adequate financing in the future, or that the terms of such financing will be favourable. Failure to obtain additional financing could result in delay or indefinite postponement of further exploration and development of our projects with the possible loss of such properties.

Regulatory Requirements

Even if our mineral properties are proven to host economic reserves of mineral resources, factors such as governmental expropriation or regulation may prevent or restrict mining of any such deposits or repatriation of profits. The Corporation may acquire other properties in other jurisdictions or countries. Any changes in regulations or shifts in political conditions are beyond the control of the Corporation and may adversely affect our business. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income taxes, and expropriation of property, environmental legislation and mine safety.

Uninsurable Risks

In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. It is not always possible to fully insure against such risks and the Corporation may decide not to take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Corporation.

No Assurance of Titles

It is possible that any of our properties may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects.

Permits and Licenses

The operations of the Corporation may require licenses and permits from various governmental authorities. There can be no assurance that such licenses and permits as may be required to carry out exploration, development and mining operations at our projects will be granted.

Competition

The mineral industry is intensely competitive in all its phases. We compete with many companies possessing greater financial resources and technical facilities than the Corporation for the acquisition of mineral concessions, claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees.

In addition, there is no assurance that a ready market will exist for the sale of commercial quantities of ore. Factors beyond the control of the Corporation may affect the marketability of any substances discovered. These factors include market fluctuations, the proximity and capacity of natural resource markets and processing equipment, government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Corporation not receiving an adequate return on invested capital or losing our investment capital.

Environmental Regulations

Our operations may be subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations. There is no assurance that future changes in environmental regulation, if any, will not adversely affect our operations.

Stage of Development

The Corporation is in the business of exploring for, with the ultimate goal of producing, mineral resources from our mineral exploration properties. None of our properties have commenced commercial production and we have no history of earnings or cash flow from our operations. As a result of the foregoing, there can be no assurance that we will be able to develop any of our properties profitably or that our activities will generate positive cash flow. We are unlikely to enjoy earnings or pay dividends in the immediate or foreseeable future. A prospective investor in the Corporation must be prepared to rely solely upon the ability, expertise, judgment, discretion, integrity and good faith of our management in all aspects of the development and implementation of our business activities.

Markets for Securities

There can be no assurance that an active trading market in our securities will be established and sustained. The market price for our securities could be subject to wide fluctuations. Factors such as commodity prices, government regulation, interest rates, share price movements of our peer companies and competitors, as well as overall market movements, may have a significant impact on the market price of the securities of the Corporation. The stock market has from time to time experienced extreme price and volume fluctuations, particularly in the mining sector, which have often been unrelated to the operating performance of particular companies.

Reliance on Key Individuals

Our success depends to a certain degree upon certain key members of the management. It is expected that these individuals will be a significant factor in our growth and success. The loss of the service of members of the management and certain key employees could have a material adverse effect on the Corporation.

Geopolitical Risks

The Corporation may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on future exploitation and production, price controls, export controls, currency availability, income taxes, delays in obtaining or the inability to obtain necessary permits, opposition to mining from environmental and other non-governmental organizations, expropriation of property, ownership of assets, environmental legislation, labour relations, limitations on mineral exports, increased financing costs, and site safety. In addition, legislative enactments may be delayed or announced without being enacted and future political action that may adversely affect the Corporation cannot be predicted. Any changes in regulations or shifts in political attitudes that may result, among other things, in significant changes to mining laws or any other national legal body of regulations or policies are beyond the control of the Corporation and may adversely affect its business. The possibility that future governments may adopt substantially different policies, which might extend to the expropriation of assets, cannot be ruled out.

Health Epidemics and Outbreaks of Communicable Diseases

Wolfden's business could be adversely impacted by the effects of the novel coronavirus or other health epidemics and/or outbreaks of communicable diseases, which could significantly disrupt the Corporation's exploration and development activities and may have a material adverse effect on Corporation's business and financial condition. The World Health Organization declared a global pandemic on March 2020 related to COVID-19. Global travel and workplace restrictions have been implemented as a result. The extent to which COVID-19 impacts the Corporation's business, including the Corporation's operations and the market for the Corporation's securities, will depend on future developments, which are highly uncertain and cannot be predicted at this time, including the duration, severity and scope of the coronavirus outbreak and the actions taken to contain or treat the outbreak. In particular, the continued or perceived spread of the coronavirus globally could materially and adversely impact the Corporation's business including, without limitation, employee health, workforce productivity, increased insurance premiums, limitations on travel, the availability of industry experts and personnel, stopage or suspension of its operations in Maine and Canada including restrictions to its drilling, development and exploration programs and/or the timing to process drill and other metallurgical testing and other factors that will depend on future developments beyond the Corporation's control, which may have a material adverse effect on the Corporation's business, financial condition and results of operations. Moreover, the actual and threatened spread of COVID-19 globally could also have a material adverse effect on the regional economies in which the Corporation operates, could continue to negatively impact stock markets, including the trading price of the Wolfden Common Shares, could adversely impact the Corporation's ability to raise capital, could cause continued interest rate volatility and movements that could make obtaining financing more challenging or more expensive, could adversely affect global economies and financial markets resulting in an economic downturn that could have an adverse effect on the demand for base and precious metals and Wolfden's future prospects and could result in any operations affected by COVID-19 becoming subject to quarantine. Any of these developments, and others, could have a material adverse effect on the Corporation's business and results of operations. There can also be no assurance that the Wolfden's personnel will not be impacted by these pandemic diseases and ultimately see all or a portion of its operations suspended, workforce productivity reduced or incur increased medical costs and/or insurance premiums as a result of these health risks.

Financial Instruments and Related Risks

The Corporation's operations include the acquisition and exploration of mineral properties in Canada. The Corporation examines the various financial risks to which it is exposed and assesses the impact and likelihood of occurrence. These risks may include credit risk, liquidity risk, currency risk, interest rate risk and other risks. Where material, these risks are reviewed and monitored by the Board of Directors.

Credit risk

Counterparty credit risk is the risk that the financial benefits of contracts with a specific counterparty will be lost if a counterparty defaults on its obligations under the contract. This includes any cash amounts owed to the Corporation by those counterparties, less any amounts owed to the counterparty by the Corporation where a legal right of off-set exists and also includes the fair values of contracts with individual counterparties which are recorded in the financial statements.

- Investments
  In order to manage credit and liquidity risk the Corporation invests only in highly rated investment grade instruments that have maturities of one year or less and are cashable at any time. Limits are also established based on the type of investment, the counterparty and the credit rate.

Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation manages liquidity risk through the management of its capital structure.

Accounts payable and accrued liabilities are due within the current operating period.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Corporation will realize a significant loss as a result of a decline in the fair market value is limited as the Corporation holds all of its funds in cash and guaranteed investment certificates.

Currency risk

The Corporation is exposed to the financial risk related to the fluctuation of foreign exchange rates. The functional and reporting currency of the Corporation is the Canadian dollar, however it has operations located in the United States, and as such is subject to fluctuations in that currency. Changes in the currency exchange rates between the Canadian dollar relative to the US dollar could have an effect on the Corporation's results of operations, financial position or cash flows. The Corporation has not hedged its exposure to currency fluctuations. At December 31, 2019, a 100 basis point decrease/increase in the U.S. Dollar would result in a foreign exchange gain/loss of approximately $17.

The Corporation does not invest in derivatives to mitigate these risks.

The following table sets forth the Corporation's financial assets measured at fair value by level within the fair value hierarchy as at December 31, 2019.

	Level 1 **$**	Level 2 **$**	Level 3 **$**	**Total** **$**
Assets				
Investments	-	716,017	-	**716,017**

The following table sets forth the Corporation's financial assets measured at fair value by level within the fair value hierarchy as at December 31 2018.

	Level 1 **$**	Level 2 **$**	Level 3 **$**	**Total** **$**
Assets				
Investments	-	759,091	-	**759,091**

Management of Capital Risk

The Corporation manages its common shares, stock options and warrants as capital. The Corporation's objectives when managing capital are to safeguard the Corporation's ability to continue as a going-concern in order to pursue the exploration of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Corporation manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Corporation may attempt to issue new shares and, acquire or dispose of assets.

In order to maximize ongoing exploration efforts, the Corporation does not pay out dividends. The Corporation's investment policy is to invest its short-term excess cash in highly liquid short-term interest-bearing investments with short-term maturities, selected with regard to the expected timing of expenditures from continuing operations.

The Corporation expects its current capital resources after the private placement expected to be completed subsequent to year-end will be sufficient to carry out its exploration plans and operations through 2020.

Subsequent Events

Funding Agreement

On January 22, 2020, the Corporation secured up to US$4.5 million in non-dilutive funding for its exploration projects by selling-forward timber from its wholly owned Pickett Mountain Zn-Pb-Cu-Ag-Au Project in Maine, USA.

Under the terms of a 5 year stumpage agreement with a privately owned Maine timber company, the Corporation received US$3 Million upon closing and is entitled to received an additional US$1.5 Million between the 4th and 5th anniversary of the agreement. The timber company has the right to harvest US$5 Million of timber from the property over 5 years. In addition, the timber company also granted Wolfden an option to earn a 100% interest (less an NSR) in the mineral rights of the property that adjoins Pickett Mountain as well as long-term road access rights for the current forest road used to reach the Pickett Mountain deposit from the state highway #11.

COVID-19

Since December 31, 2019, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, including Canada, businesses are being forced to cease or limit operations for long or indefinite periods of time. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

The Corporation has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended December 31, 2019 have not been adjusted to reflect their impact. The Corporation has been monitoring the COVID-19 outbreak and the potential impact at all of its operations and has put measures in place to ensure the wellness of all of its employees and surrounding communities where the Corporation works while continuing to operate. Currently, fieldwork has been halted on all of our projects and all corporate personnel travel has been restricted to absolute minimum requirements and employees have been encouraged to work remotely. With respect to our operations or work locations in Canada and the USA, we have implemented the typical control measures for dealing with the outbreak of COVID-19. These include self-screening for symptoms and travel history with possible COVID-19 exposure of any employees, visitors and contractors (site personnel) prior to any travel to or from a site and isolation, where necessary, from the general site population. These cautions and precautions rely on voluntary information and voluntary compliance of those working directly or indirectly for the Corporation. We expect that procedures will continue to evolve according to the World Health Organization and Center for Disease Control guidelines as more becomes known about the virus.

Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements.

Changes in Internal Control over Financial Reporting (“ICFR”)

No changes occurred in the fourth quarter of 2019 of the Corporation’s ICFR that have materially affected, or are reasonably likely to materially affect the Corporation’s ICFR.

Additional Information

Additional information relating to the Corporation can be found on SEDAR at www.sedar.com.

Mr. Ron Little, President and CEO, Mr. Jeremy Ouellette VP Project Development and Mr. Don Hoy, VP Exploration of Wolfden Resources Corporation are the Qualified Persons for the information contained in this MD&A and are each a Qualified Person defined by National Instrument 43-101.

(Signed) Lance Dyll, CPA, CA
Chief Financial Officer

Thunder Bay, Canada
April 15, 2020