PJX RESOURCES INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the year ended December 31, 2021

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The following discussion and analysis ("MD&A") of the operating results and financial condition of PJX Resources Inc. ("PJX" or the "Company") for the fiscal years ended December 31, 2021 ("Fiscal 2021") and December 31, 2020 ("Fiscal 2020") should be read in conjunction with the audited financial statements of the Company and notes thereto at December 31, 2021.

The audited financial statements were prepared in accordance with International Financial Reporting Standards ("IFRS"). All monetary amounts are expressed in Canadian dollars.

Additional information has been filed electronically through the System for Electronic Document Analysis and Retrieval ("SEDAR") and is available online at www.sedar.com.

The date of this report is April 14, 2022.

APPROVAL

The Board of Directors of the Company has approved the disclosure contained in this MD&A.

FORWARD LOOKING INFORMATION

The Company's MD&A contains statements that constitute "forward-looking statements" within the meaning of National Instrument 51-102, *Continuous Disclosure Obligations* of the Canadian Securities Administrators. Forward-looking information includes, but is not limited to, information concerning PJX's exploration program and planned gold production as well as PJX's strategies and future prospects. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "does not anticipate", or "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur", or "be achieved". Forward-looking information is based on the opinions and estimates of management at the date the information is made, and is based on a number of assumptions and subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. Assumptions upon which such forward-looking information is based include, without limitation, availability of skilled labour, equipment, and materials. Many of these assumptions are based on factors and events that are not within the control of PJX and there is no assurance they will prove to be correct. Factors that could cause actual results to vary materially from results anticipated by such forward-looking information include changes in market conditions, variations in ore reserves, resources, grade or recovery rates, risks relating to international operations (including legislative, political, social, or economic developments in the jurisdictions in which PJX operates), economic factors, government regulation and approvals, environmental and reclamation risks, actual results of exploration activities, fluctuating metal prices and currency exchange rates, costs, changes in project parameters, conclusions of economic evaluations, the possibility of project cost overruns or unanticipated costs and expenses, labour disputes and the availability of skilled labour, failure of plant, equipment or processes to operate as anticipated, capital expenditures and requirements for additional capital, risks associated with internal control over financial reporting, and other risks of the mining industry as well as those risk factors discussed in the Long Form Prospectus of PJX available at www.sedar.com. Although PJX has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. PJX undertakes no obligation to update forward-looking information if circumstances or management's estimates or opinions should change except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking information.

NATURE OF OPERATIONS AND GOING CONCERN

PJX is a Canadian corporation with corporate offices located at 5600 One First Canadian Place, Toronto, Ontario. The Company is listed on the TSX Venture Exchange.

The principal activities of the Company are mineral exploration properties located near Cranbrook, British Columbia. The Company is considered to be in the exploration stage, has no producing properties and, consequently, has no current operating income or cash flow. Financing of the Company's activities to date has been obtained primarily from equity issues.

The financial statements of the Company have been prepared using generally accepted accounting principles applicable to a going concern, which contemplate the realization of assets and settlement of liabilities in the normal course of business as they come due in the foreseeable future. For the year ended December 31, 2021, the Company incurred a loss of $874,927 or $0.01 per share, (December 31, 2020: $1,596,339 or $0.01 per share), and reported an accumulated deficit of $18,601,562 (December 31, 2020: $17,726,635). As at December 31, 2021 the working capital of the Company was $2,663,283 (December 31, 2020: $886,172). Management believes that the working capital is sufficient to support operations for the next twelve months.

The Company's financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary if the going concern assumption were inappropriate, and these adjustments could be material.

COMPANY OVERVIEW

The Company holds 100% interest in 8 properties (the Vine, Gold Shear, DD, Eddy, Parker Copper, Zinger, Dewdney Trail, and West Basin). All properties are road accessible and proximal to power, rail and workforce in the Sullivan base metal and placer gold mining district.

Highlights

Corporate

The Annual General and Special Meeting was held on June 29, 2021. The Shareholders of record:

1. approved the Audited Financial Statements for the period ended December 31, 2020;
2. set the number of directors of the Company at six and elected Messrs. John Keating, James Clare, Vic Bradley, Trygve Hoy, Joseph Del Campo, and Ms. Linda Brennan;
3. appointed McGovern Hurley LLP as Auditors of the Company for the ensuing year; and
4. approved the Company's Share Incentive Plan.

Financial

On March 1, 2021, the Company announced the completion of an Investment Agreement with Osisko Gold Royalties Ltd ("Osisko") pursuant to which Osisko agreed to (i) purchase 6,250,000 common shares of PJX at a subscription price equal to $0.16 per share, for a purchase price of $1,000,000, and (ii) acquire a 0.5% net smelter return royalty on the Company's Gold Shear, Eddy, Zinger and Dewdney Trail properties for aggregate cash consideration of $1,000,000.

The funds obtained through the issuance of the shares and sale of the NSR will be primarily applied to fund the Company's exploration and development of its properties.

On May 3, 2021, the Company announced the extension of the term of 12,296,276 share purchase warrants, (the "Warrants"). Additional details can be found in the Outstanding Share Data section of this document.

On May 5, 2021, the Company announced the resignation of Mr. Kent Pearson as a Director of the Company.

On July 29, 2021, PJX completed a Property Option Agreement with Imperial Metals Corporation for the Estella Mine crown grants. Additional details can be found in the Mineral Properties section of this document.

On September 13, 2021, the Company's board of directors authorized granting stock purchase options to certain directors, employees and consultants to acquire an aggregate of 2,685,000 common shares at an exercise price of $0.20, expiring September 12, 2026.

On November 8, 2021, the Company announced that, that, effective November 4, 2021, its common shares commenced trading on the OTCQB® Venture Market (the "OTCQB") in the United States under the stock symbol "PJXRF." The Company's common shares will continue to trade on the TSX Venture Exchange under the symbol "PJX".

On November 22, 2021, the Company announced the extension of the term of 4,574,131 share purchase warrants. Additional details can be found in the Outstanding Share Data section of this document.

On December 16, 2021, the Company announced it had completed a non-brokered private placement of 9,391,794 units through the issuance of 3,895,794 Flow Through Units at a price of $0.17 per Flow Through Unit and 5,496,000 Non-flow Through Units at a price of $0.15 per Unit for total proceeds of $1,486,685. Additional details can be found in the Liquidity and Capital Resources section of this document.

Exploration

PJX's primary focus is to discover new gold and base metal deposits to the benefit of our shareholders and local communities. PJX has consolidated 100% ownership of the largest land package in the Sullivan Mining District that includes the Vulcan Gold Belt.

The Vulcan Gold Belt is defined by the intersection of 2 mantle tapping structures (Vulcan Tectonic Zone and Rocky Mountain-Tintina Fault). These deep crustal penetrating structures provided the pathway throughout earth's history for intrusives and fluids carrying gold and base metals up from deep in the crust and possibly the mantle.

Management believes the pathways were instrumental in the formation of the world class Sullivan zinc-silver-lead deposit about 1.45 billion years ago. These same pathways were later used to introduce gold mineralization over various periods of time and possibly as young as only 30 million years ago.

The geological environment has potential to host a variety of deposit types including orogenic and intrusive related gold and copper deposits, such as the Telfer gold-copper deposit in Australia, Sukoi-Log gold deposit in Russia, Pebble gold-copper deposit in Alaska, and/or sediment hosted copper (Spar Lake, Montanore, Kamoa) and/or the Sullivan type zinc-lead-silver deposits.

PJX's compilation of historical work and infilling of data gaps with new mapping, prospecting, geophysics, geochemistry, trenching and drilling has identified over 20 primary target areas with the potential to each host one or multiple gold and/or base metal deposits

2021 Exploration Summary

PJX continued to focus on developing and exploring gold and base metal targets to make new discoveries in 2021. The number of target areas has expanded to over 20 with the announcement of new intrusive related gold and copper targets such as the GAR intrusive on the Zinger Property, the Lewis Ridge and Tackle Creek target areas on the Dewdney Trail Property, and the Wuho target area on the Eddy Property. Management feels that these and other target areas are of a size with potential to host world class deposits of gold, copper, lead, zinc, silver and/or cobalt.

To unlock the potential of the Sullivan Mining District it is essential that PJX consolidate the mineral rights to be able to effectively explore the region. For example, the last claim required to better explore the high grade David Gold Zone was acquired in 2020, while the Estella mine claims required to effectively explore parts of the Dewdney Trail Property were optioned from Imperial Metals in 2021.

Drilling results from the New Massive Sulphide (NMS) lead-zinc-silver mineralized zone on the Vine Property, in early 2021, suggests the zone occurs in a restricted geological basin that trends northwest and needs to be tested at depth and on strike. There is potential to discover Sullivan type zinc-lead-silver massive sulphide mineralization as well as the possibility to discover nickel-copper mineralization.

Modelling of down hole geophysics and surface magnetotelluric geophysics suggest that the NMS zone is conformable with the sedimentary rocks similar to the Sullivan deposit. The geophysics also suggest that there is something possibly more conductive than the NMS zone at depth that is distorting the geophysics. The distortion may be caused by the presence of a super-conductor at depth below the NMS zone. Super-conductors are often associated with nickel-copper deposits, such as in Sudbury, Voisey's Bay, and Raglan. Specialized downhole geophysics is required to test the potential for a super-conductor at depth prior to drilling. This work is planned for 2022.

Two large Airborne Magnetotelluric (MT) and Magnetic Surveys were flown by Expert Geophysics over the Dewdney Trail Property (859 flight line-kilometres) and the intrusive related gold target area on the Zinger Property (548 flight line-kilometres) during 2021. Drilling to test the Dewdney Trail Lewis Ridge target area is planned for 2022. The less explored intrusive related gold and copper targets identified by airborne geophysics on the Zinger Property will require ground follow-up during 2022 to help define drill targets.

Drilling on the Gold Shear Property tested the high-grade David Gold Zone along strike and down the interpreted plunge of the mineralization in October and November of 2021. Laboratory analyses of the drill core are expected in Q2 of 2022. The results will be used to plan the next phase of drilling on David Gold Zone and targets on strike.

Geological mapping, prospecting and sampling on strike of the David Gold Zone on PJX's adjacent Eddy Property have also identified multiple new gold targets for follow-up in 2022.

P*artnerships*

PJX will continue to explore and advance primary and secondary targets to the drilling stage to make discoveries. Given the large stable of PJX properties with multiple targets, the company is at a stage to form strategic alliances to advance and discover multiple gold and/or base metal (copper, zinc, lead, silver) deposits.

In 2020, the Company signed an Option Agreement with DLP Resources Inc. ("DLP"), whereby DLP can acquire an interest in PJX's DD Property. Drilling by DLP in 2020 and 2021 intersected wide zones of alteration in the geological horizon that is favourable for hosting a Sullivan type zinc-lead-silver deposit. Additional MT geophysics in 2021 identified multiple large conductive targets with plans to test targets in 2022.

In February, 2021, PJX and Osisko signed an Investment Agreement where Osisko purchased a 0.5% NSR royalty interest in PJX's 4 gold properties (Gold Shear, Eddy, Zinger and Dewdney Trail) for $1 million, and made an equity investment in PJX of $1 million. The agreement also provides an opportunity for PJX to consult with Osisko's technical team that were responsible for advancing the Malarctic gold deposit in Quebec with a sale to Agnico Eagle and Yamana for $4.1 billion in 2014. This same team is currently advancing Osisko's Barkerville gold deposit toward production in British Columbia.

In July, 2021, PJX announced the option of the historical Estella Mine crown grants (the "Estella") from Imperial Metals Corporation. The 14 Estella Mine crown grants are encompassed by PJX's large Dewdney Trail Property. The Company has included the Estella as part of its Dewdney Trail Property. The Dewdney Trail Property and the Estella have potential to host intrusive related gold and copper deposits as well as sedimentary hosted massive silver-lead-zinc mineralization similar to the historical Kootenay King mine located approximately 5 km to the south. The Estella Mine crown grants have had no significant work or exploration since the late 1960's. Optioning the Estella allows PJX to fully explore the Dewdney Trail Property.

Strategy and Objectives

PJX's strategy is to generate value and opportunity for shareholders and local communities by using innovative technology and approaches to explore and develop areas with high potential for world class gold and base metal deposits.

The Company has strategically consolidated the mineral rights to over 50,000 hectares (500 square km) of land in the Sullivan (zinc-lead-silver) mining district and the Vulcan Gold Belt. The Company has collected and compiled an estimated $20 million of historical data. New exploration technologies and more advanced mapping and sampling techniques have been used to fill gaps in the data that can be used to vector exploration toward discovering one or multiple deposits. This work has identified over 20 gold and base metal target areas to explore and test by drilling. The Company is now systematically testing these target areas for gold, zinc, lead, silver or copper deposit potential. The Company also continues to develop strategic partnerships to help advance the exploration and discovery potential of the many target areas.

Key Performance Drivers

The Company has assembled a team with more than 150 years of working experience in the mining and exploration industry and meeting its related challenges. Management believes it is well positioned to attract investor interest given its 100% interest in a large land package with favourable geology to host world class deposits in a proven mining camp. The Company continues to focus resources on exploration activities to discover a gold or base metal deposit.

The ability of the Company to continue exploration is dependent on the ability to raise capital in the market. Equity capital interest in PJX depends on the price of gold and other metals, exploration results and the market's appetite for risk.

Market volatility, the price of metals and appetite for risk cannot be controlled by the Company. Demand for gold, silver and base metals is forecasted to continue to grow in the long term, while supply for some metals is expected to decline as a number of mines have closed and new world class deposits are not being discovered. Gold and base metal prices rebounded during 2021 following the downward pressure in response to fall-out from COVID-19 during 2021 and are they are expected to strengthen as economies recover and may spike to new highs due to potential stockpile shortages. Gold and silver markets may rise significantly in the short term in response to current economic, social and political challenges created by the COVID-19 pandemic and the Ukraine crisis. Overall, metal prices are expected to strengthen in the long term as economies recover, market volatility lessens and demand for metals increases in step with expanding economies.

Ability to Deliver Results

In addition to legal and capital market expertise, PJX's Board is made up of members with experience in all aspects of the minerals and metals industry from early-stage exploration through to production stage companies. In order to advance its exploration projects effectively, the Company contracts experienced mineral exploration professionals with many years of working experience specific to our geographic regions of interest.

RESULTS OF OPERATIONS

Exploration

During the year ended December 31, 2021, PJX incurred $1,008,241 in exploration expenses compared with $999,960 in exploration expenses during the same period of Fiscal 2020.

The following schedule describes exploration expenses incurred in each property for the years ended December 31, 2021 and 2020 as well as the balances since inception.

Years ended December 31,	**2021**	2020	Change	Balance since inception
Dewdney Trail Property	**$ 228,302**	$ 25,326	$ 202,976	$ 1,563,722
Eddy Property	**108,742**	63,283	45,459	927,070
Zinger Property	**147,582**	12,086	135,496	1,175,910
Vine Property	**213,224**	430,288	(217,064)	6,135,106
DD Property	**11,676**	(4,414)	16,090	65,955
Gold Shear Property	**413,050**	441,658	(28,608)	1,231,452
Parker Copper Property	**1,720**	-	1,720	62,326
Others	**18,945**	14,858	4,087	85,778
	$ 1,143,241	$ 983,085	$ 160,156	$11,247,319
BC refundable tax credits receivable	**(135,000)**	16,875	(151,875)	(407,274)
Total exploration expenses	**$ 1,008,241**	$ 999,960	$ 8,281	$10,840,045

MINERAL PROPERTIES

PJX continues to explore and advance targets to the drilling stage to discover gold and/or base metal (copper, zinc, lead, silver) deposits. Given the large stable of PJX properties with multiple targets, the company is at a stage to form strategic alliances to advance some of the targets.

In 2020, DLP Resources Inc. was granted an option to earn an interest in the DD Property by exploring for a Sullivan type deposit.

In February, 2021, PJX and Osisko signed an Investment Agreement whereby Osisko purchased a 0.5% NSR royalty interest in PJX's 4 gold properties (Gold Shear, Eddy, Zinger and Dewdney Trail) for $1 million, and made an equity investment in PJX of $1 million as a way to have an interest in all PJX properties.

A summary of the Company's properties appears below. Please visit www.pjxresources.com for additional information.

Gold Shear Property

- Historical and recent exploration support the potential for shear zone hosted, orogenic type, high-grade gold mineralization.
- The high-grade David Gold Zone of the Gold Shear Property was first discovered in 1990 by prospecting.

- Eight of 12 rock grab samples taken by PJX from the David Gold Zone in 2019 have over 68 g/t gold, the highest is 193.90 g/t gold.
- PJX's surface mapping, and compilation of historical 1990 drilling by Dragoon Resources Ltd, suggest that high-grade gold mineralization may occur as elongated zones that plunge to the north within the north trending David shear.
- PJX drilling to date confirms the high-grade nature of gold mineralization in the David Gold Zone.
- Drilling in October-November, 2021, tested along strike and down the interpreted plunge of the David Gold Zone. In February 2022, Bureau Veritas informed PJX that the lab analytical results of drill core samples have been delayed, possibly until April or May, because of a cyber attack on Bureau Veritas in November and December 2021.

Vine Property

- The Vine Property occurs within a sedimentary basin called the Vine Basin that is geologically similar to the Sullivan Basin hosting the Sullivan deposit located about 35 km to the north.
- In the 1980s, Cominco believed that massive sulphide mineralization (zinc, lead, copper, silver, and gold) found at surface in the vertical dipping Vine vein may represent remobilized mineralization from a horizontal Sullivan type deposit at depth. Cominco drilled to test the Sullivan horizon at depth and did not encounter massive sulphide mineralization. PJX's newly discovered NMS zone occurs 300 metres ("m") below the depth of Cominco's drilling.
- A hole drilled by Kokanee Exploration in 1990 intersected a 3.4 m wide massive sulphide zone, with bedded and Durchbewegt textures, approximately 700 m south of PJX's 2019 drill hole. PJX's management and consulting geologist believe that both holes intersected the same geologic horizon hosting the NMS zone.
- The NMS zone has classic Durchbewegt texture that appears similar in style to massive sulphide mineralization located within 1000 m of the economic part of the Sullivan deposit.
- Drilling during 2021 suggests the NMS zone occurs in a restricted basin that trends to the northwest toward the west gravity anomaly and needs to be tested at depth and on-strike.
- Geophysics also suggests that there is something possibly more conductive than the NMS zone at depth that is distorting the geophysics. The distortion may be caused by the presence of a super-conductor at depth below the NMS zone. Super-conductors are often associated with nickel-copper deposits, such as in Sudbury, Voisey's Bay, and Raglan.
- Specialized downhole geophysics and additional drilling to test the potential at depth is planned for 2022.

DD Property

- The DD Property occurs within a sedimentary basin, called the Panda Basin, that is geologically similar to the Vine Basin and to the Sullivan Basin that is located about 45 km to the northeast.
- Historic holes drilled to test the geological horizon that hosts the Sullivan deposit in the vicinity of the DD Property encountered geology that supports the potential for a Sullivan Type Deposit.
- In 2020, PJX signed an agreement granting DLP Resources Inc. an option to earn a 50% interest in the DD Property by spending $4 million and paying $250,000 cash over 4 years, with the right to earn an additional 25% interest by delivering a bankable commercial feasibility study on the DD Property within 96 months.
- Drilling by DLP in early 2021 to test a number of large MT targets defined by Quantec Geophysics, intersected an extensive thickness (168 m) of fragmentals, part of the same geological time horizon that hosts the Sullivan Deposit, from 1705 m depth with abundant pyrrhotite with hydrothermal alteration that supports the potential for Sullivan type mineralization.
- The increased thickness of the Sullivan Horizon combined with surface MT surveys suggests the potential to discover a Sullivan type zinc-lead-silver deposit increases toward the east on the DD Property, and the adjacent PJX (50%) and DLP (50%) owned Moby Dick Property and optioned NZOU Property that were jointly acquired in 2020.

- DLP plans to drill and test MT targets on strike of the thick mineralized Sullivan time horizon during 2022.

Dewdney Trail Property

- The Dewdney Trail Property has potential to host orogenic gold, intrusive related gold-copper, and Sullivan type zinc-lead-silver massive sulphide mineralization.
- In September 2021, PJX announced that two large target areas (Tackle Basin and Lewis Ridge) containing gold, copper, zinc, lead, and/or silver in soils have been identified along a 10 km trend to date.
    - Tackle Basin is an area approximately 2 km x 2 km with gold in soils at the headwaters of Wildhorse creek that produced an estimated 1.4 million ounces of placer gold since 1864.
    - Lewis Ridge is an area approximately 3 km x 2 km with a multi-element signature of gold, copper, zinc, lead, bismuth, molybdenum, arsenic and silver in soil. This geochemical signature supports the potential for a range of possible deposits including an intrusive related gold-copper deposit at depth or a Sullivan type zinc-lead-silver massive sulphide deposit.
- Expert Geophysics completed an 851 line-km airborne MT and Magnetic Survey across the entire Dewdney Trail Property in 2021. Survey data is being processed and will be compiled with PJX's mapping and geochem data to identify and define intrusive related gold and copper targets as well as Sullivan type zinc-lead-silver massive sulphide targets to test.
- Drilling is planned to test targets during 2022.

Zinger Property

- The Zinger Property has multiple large target areas with potential to host orogenic gold and intrusive related gold type deposits. Two large target areas identified to date are the Southwest and Northwest target areas.
    - The Southwest target area has orogenic style gold mineralization with locally high concentrations of gold in soil (898 visible gold grains in one sample) and in rock grab samples (up to 34 g/t gold) in outcrop along a 6 km structural trend. Re-evaluation of drilling and geophysics suggests that gold may concentrate where vertical fold structures intersect sub-horizontal fold structures at depth.
    - The Northwest target area has intrusive related gold mineralization associated with multiple intrusives along a 10 km trend. One intrusive, the Gar, has a 1600 m gold in soil anomaly that has not been previously tested by geophysics or drilling. The area has limited outcrop exposure. PJX grab samples of veins in altered granite returned gold values ranging from anomalous to 28.84 g/t gold.
- Expert Geophysics has flown a 548 line-km airborne MT and Magnetic Survey over the Gar and another intrusive, the Leader, in 2021. Airborne geophysical results will be compiled with geochemical and geological data to define intrusive related gold targets for follow-up in 2022.

Other Properties

Surface mapping, prospecting, sampling and/or geophysics were carried out during the year to identify new target areas and advance other existing gold, silver, zinc, lead or copper showings to a drill ready stage on other PJX properties.

- The Eddy Property is adjacent to and on strike with the David Gold Zone on the Gold Shear Property. Three orogenic gold type targets (MC, Hill Vein and Red Zone) have been identified to date. Rock grab or chip samples from outcrop returned high-grade gold mineralization up to 108 g/t gold from the Hill Vein, 34 g/t gold from the MC and a 45cm rock chip sample of 79 g/t gold from the Red Zone area. Additional high-grade gold mineralization has been found on strike with these showings. These showings require additional surface work prior to drilling.

- The Parker Copper Property was staked in late 2018 to cover new showings of sediment hosted copper mineralization. The alteration and style of copper mineralization is similar to sediment hosted copper deposits (Montanore, Spar Lake) in correlative rocks in the United States and the Kamoa deposit in Congo. Prospecting in 2020 and 2021 suggests the favourable copper horizon may continue down dip to the west and along strike to the north.

Estella Property Option

On July 29, 2021, the Company announced option of the historical Estella Mine crown grants ("the Estella") from Imperial Metals Corporation ("Imperial") under the Estella Property Option Agreement.

PJX can earn a 100% interest in the Estella by making cash payments, or share equivalent payments, to Imperial totaling $250,000 over a 5-year period as follows:

- $15,000 on signing the agreement (paid); and
- $20,000 on or before July 26, 2022; and
- $25,000 on or before July 26, 2023; and
- $30,000 on or before July 26, 2024; and
- $35,000 on or before July 26, 2025; and
- $125,000 on or before July 26, 2026.

Upon exercise of the option by PJX, Imperial will retain a Net Smelter Return Royalty ("NSR") of 2% in respect of the Estella. PJX will have the right to buy back 50% of the NSR [being a 1% NSR] for $1,000,000, and the remaining 50% of the NSR [being a 1% NSR] for an additional $1,000,000.

The 14 Estella crown grants are encompassed by PJX's large Dewdney Trail Property. The Dewdney Trail Property and the Estella have potential to host intrusive related gold and copper deposits as well as sedimentary hosted massive silver-lead-zinc mineralization similar to the historical Kootenay King mine located approximately 5 km to the south. The Estella crown grants have had no significant work or exploration since the late 1960's. Optioning the Estella Mine crown grants allows PJX to fully explore the Dewdney Trail Property.

In conclusion, PJX remains focused on advancing priority gold, silver, zinc, lead, and copper targets with the potential to discover multiple deposits.

SELECTED ANNUAL INFORMATION

The following table provides selected financial information and should be read in conjunction with the Company's financial statements.

Years ended December 31,	**2021**	2020	2019
Revenue	**$ -**	$ -	$ -
Loss for the year	**(874,927)**	(1,596,339)	(2,464,660)
Loss per share	**(0.01)**	(0.01)	(0.02)
Total assets	**3,073,359**	1,322,255	1,565,355
Non-current assets	**257,256**	212,639	208,078
Total liabilities	**182,041**	261,740	335,904
Non-current liabilities	**29,221**	38,296	46,902
Shares issued and outstanding	**133,216,488**	117,574,694	108,025,294

The Company generated a net loss of $874,927 for the year ended December 31, 2021, compared with a loss of $1,596,339 for Fiscal 2021. The main drivers for both fiscal year losses were general and administration expenses and exploration expenditures as detailed below.

General and administration:

The following schedule describes general and administration expenses incurred by the Company during the fiscal years ended December 31, 2021 ,and 2020:

Years ended December 31,	**2021**	2020	Change
Insurance	**$ 13,306**	$ 13,248	$ 58
Interest, bank charges and penalties	**1,278**	1,872	(594)
Investor relations	**71,553**	58,300	13,253
Listing and regulatory fees	**84,589**	45,414	39,175
Office expenses	**14,597**	15,144	(547)
Professional fees	**100,932**	155,453	(54,521)
Rent	**11,972**	8,919	3,053
Salaries and benefits	**236,474**	199,080	37,394
Taxes and levies	**4,655**	8,862	(4,207)
Travel and transportation	**16,364**	4,184	12,180
	$ 555,720	$ 510,476	$ 45,244

The most significant changes in general and administration expenses during the year ended December 31, 2021, when compared to the same period of Fiscal 2020, were:

- The increase in investor relations expenses of $13,253 is principally due to the reactivation of certain consulting services that were temporarily cancelled or reduced during 2020 as a result of the COVID-19 pandemic;
- The increase in listing and regulatory fees of $39,175 is mainly related to expenses associated with the Company's listing application to the OTC;
- The decrease in professional fees of $54,521 results from decreases in legal fees which the Company incurred during fiscal 2020 on its transaction with Osisko where Osisko agreed to acquire a 0.5% net smelter return royalty on the Company's Gold Shear, Eddy, Zinger and Dewdney Trail properties;
- The increase in salaries and benefits for $37,394 is related to the increase in compensation to senior officers, starting July 2021: and
- The increase in travel and transportation of $12,180 is mainly related to the reactivation of travelling in non-investor relations activities.

Exploration:

The following schedule describes exploration expenses incurred by the Company during the fiscal years ended December 31, 2021 and 2020, segregated by nature and by project:

Years ended December 31,	**2021**	2020	Change	Balance since inception
Dewdney Trail Property	**$ 228,302**	$ 25,326	$ 202,976	$ 1,563,722
Eddy Property	**108,742**	63,283	45,459	927,070
Zinger Property	**147,582**	12,086	135,496	1,175,910
Vine Property	**213,224**	430,288	(217,064)	6,135,106
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Others	**18,945**	14,858	4,087	85,778
	$ 1,143,241	$ 983,085	$ 160,156	$11,247,319
BC refundable tax credits receivable	**(135,000)**	16,875	(151,875)	(407,274)
Total exploration expenses	**$ 1,008,241**	$ 999,960	$ 8,281	$10,840,045

Years ended December 31,	2021	2020	Change	Balance since inception
Geology, geophysics and geochemistry	**$ 506,842**	$ 228,303	$ 278,539	$ 3,526,139
Exploration-other accommodation	**1,712**	-	1,712	4,152
Permitting	**5,135**	861	4,274	60,570
Land rights, claims and environment	**23,092**	26,482	(3,390)	192,964
Drilling	**507,299**	555,917	(48,618)	5,877,236
Laboratory	**46,498**	32,601	13,897	431,796
Roads and surface preparation	**-**	-	-	70,944
Camp cost and exploration supplies	**3,687**	1,743	1,944	34,363
Exploration - travel and transportation	**14,467**	15,167	(700)	284,246
Exploration- meals	**5,879**	6,158	(279)	57,384
Rent - field office	**9,774**	3,796	5,978	67,241
Insurances	**2,477**	2,526	(49)	5,205
Surface sampling and mapping	**-**	-	-	50,505
Option payments	**15,000**	27,050	(12,050)	526,261
Reclamation provision	**-**	-	-	24,500
Legal expenses-exploration	**-**	-	-	1,898
Non-flow-through exploration expenses	**1,379**	82,481	(81,102)	31,915
	$ 1,143,241	$ 983,085	$ 160,156	$11,247,319
BC refundable tax credits receivable	**(135,000)**	16,875	(151,875)	(407,274)
Total exploration expenses	**$ 1,008,241**	$ 999,960	$ 8,281	$10,840,045

Exploration expenses increased by an aggregate of $160,156 during Fiscal 2021 compared to Fiscal 2020, before a refundable credit received from the British Columbia Government during fiscal 2021 of $135,000 (2020 – adjustment of $16,875).

The most significant changes in exploration expenses during the year ended December 31, 2021, segregated by function, when compared to Fiscal 2020, were:

Geology, geophysics and geochemistry (“GG&G”)
GG&G expenses increased by $278,539 during Fiscal 2021 when compared to the same period of Fiscal 2020. This change was principally composed of:

- An increase in geology expenses of approximately $21,000;
- An increase in geophysics of approximately $266,000;
- A decrease in geochemistry of about $13,000;
- An increase in prospecting charges of approximately $10,000;
- A decrease in geological reports of approximately $5,000;
- A receivable of approximately $135,000 BC tax credits receivable.

GG&G expenses were concentrated at the Dewdney Trail Property, with an increase of approximately $203,000; the Eddy Property, with an increase of approximately $28,000; the Zinger Property, with an increase of approximately $136,000; and decreases at the Vine and Gold Shear properties of approximately $73,000 and $84,000, respectively, as well as salaries allocation during 2020 for approximately $68,000 that were directly itemized during 2021.

Drilling
The decrease in drilling charges of $48,618 are composed of increases in drilling at the Gold Shear Property of approximately $70,000 and a decrease at the Vine Property of approximately $119,000.

Laboratory
The increase of $13,897 in laboratory expenses is mainly composed of an increase at the Eddy Property of approximately $12,000, a decrease at the Vine Property of approximately $15,000, an increase at the Gold Shear Property for approximately $20,000, a decrease at the Zinger Property of approximately $2,000 and a decrease at the Dewdney Trail Property of approximately $1,000.

Option payments
The decrease of $12,050 in option payments is composed of a decrease in payments incurred at the Gold Shear Property of approximately $41,000, an increase of $15,000 related to option payments on the Estella Mine crown grants, and an increase of $14,000 due to option payment received on the option-out of the DD Property during fiscal 2020.

Non-Flow-through Exploration expenses classified during fiscal 2020, mainly represent salary allocations that during fiscal 2021 were allocated to specific exploration items.

Further discussion of the work undertaken on each of these properties can be found in the Exploration section of this document.

LIQUIDITY AND CAPITAL RESOURCES

On September 21, 2020, the Company announced the undertaking of a non-brokered private placement of up to eight million units, with a 25% overallotment option at the discretion of the Company, through the issuance of flow through units and non-flow through units ("unit") at a price of $0.15 per flow through unit and $0.125 per unit. On October 6, 2020, the Company closed this private placement for gross proceeds of $1,230,800, through the issuance of 2,480,000 flow-through units at a price of $0.15 per unit and 6,870,400 units at a price of $0.125 per unit.

On March 1, 2021, the Company announced the completion of an investment agreement with Osisko Gold Royalties Ltd pursuant to which Osisko has agreed to purchase 6,250,000 common shares of PJX at a subscription price equal to $0.16 per share, for an aggregate purchase price of $1,000,000, and acquire a 0.5% NSR on the Company's Gold Shear, Eddy, Zinger and Dewdney Trail properties for an additional aggregate cash consideration of $1,000,000. The share purchase price and the royalty purchase price shall be primarily applied to PJX to fund the further exploration and development of the properties.

On December 22, 2021, the Company closed a non-brokered private placement of 9,391,794 units through the issuance of 3,895,794 Flow Through Units at a price of $0.17 per Flow Through Unit and 5,496,000 Non-flow Through Units at a price of $0.15 per Unit for total proceeds of $1,486,685.

As at December 31, 2021, the Company had total current assets of $2,816,103 (cash, amounts receivable, mining tax credits receivable and prepayments) that will be used for general and administrative expenses as well as exploration on its properties.

The working capital of the Company has increased from $886,172 at December 31, 2020 to $2,663,283 at December 31, 2021. When compared to Fiscal 2020, current assets increased by $1.7 million and current liabilities decreased by $0.07 million for the same comparative period, representing an increase in working capital of approximately $1.7 million from the comparative period.

The Company has successfully secured its key properties and is not required to make any option payments. See also the Commitments and Obligations section below.

Outlook
The Company has no producing properties and, consequently, has no current operating income or cash flow. The Company's access to capital may not be available on terms acceptable to the Company or at all.

Financing of the Company's activities to date has been obtained from equity issues. The continuing short-term development of the Company's properties therefore depends on the Company's ability to obtain additional financing through equity investments. For the year ended December 31, 2021, the Company incurred a loss of $874,927 or $0.01 per share and reported an accumulated deficit of $18,601,562. As at December 31, 2021, the working capital of the Company was $2,663,283. The Company's current cash position will enable it to fund the Corporation's planned operating and exploration expenses for the next twelve months.

The Company constantly reviews future exploration plans related to advancing its properties. The work plan will consider what work will be most beneficial for each project and the Company as balanced against the cash balance and market conditions affecting future funding. The Company is focused on ensuring capital resources are spent in the most efficient manner.

SUMMARY OF QUARTERLY RESULTS

The following table sets forth a breakdown of the most relevant components of the Company's costs and results of operations for each of the eight most recently completed quarters:

		Net Income (loss)		Exploration	General and
Quarter Ended	**Revenue**	**Total**	**Per Share**	**expenses**	**administration**
December 31, 2021	Nil	$ (142,832)	($0.00)	($28,959)	$168,739
September 30, 2021	Nil	(847,314)	(0.01)	373,532	133,628
June 30, 2021	Nil	(608,801)	(0.00)	558,834	98,754
March 31, 2021	Nil	724,020	0.01	104,834	154,599
December 31, 2020	Nil	(474,704)	(0.00)	319,822	213,171
September 30, 2020	Nil	(498,917)	(0.00)	165,551	88,976
June 30, 2020	Nil	(172,947)	(0.00)	107,690	82,868
March 31, 2020	Nil	(449,771)	(0.00)	406,898	125,461

FOURTH QUARTER

The following schedule describes the operating results of PJX during the fourth quarter of Fiscal 2021 compared to the same period of Fiscal 2020:

Three months ended December 31,	**2021**	2020
Expenses		
Exploration	**$ (28,959)**	$ 319,822
General and administration	**168,739**	213,171
Share based compensation	**(5,994)**	8,497
Depreciation	**9,046**	2,423
Total operating expenses	**142,832**	543,913
Loss before income taxes	**(142,832)**	(543,913)
Flow-through premium recoveries	**-**	69,209
Net loss and comprehensive loss for the period	**$ (142,832)**	$ (474,704)
Basic and diluted loss per share	**($0.00)**	($0.00)

Exploration:

The following schedules describe the exploration expenses, by function and by project, incurred by PJX during the fourth quarter of Fiscal 2021 compared to the same period of Fiscal 2020:

Three months ended December 31,	**2021**	2020	Change
Geology, geophysics and geochemistry	**$ 18,174**	$ 25,583	$ (7,409)
Permitting	**2,083**	861	1,222
Land rights, claims and environment	**3,000**	20,892	(17,892)
Drilling	**72,136**	251,304	(179,168)
Laboratory	**2,368**	5,521	(3,153)
Camp cost and exploration supplies	**647**	762	(115)
Exploration - travel and transportation	**1,743**	1,923	(180)
Exploration- meals	**975**	1,418	(443)
Rent - field office	**2,445**	296	2,149
Insurances	**1,424**	(1,746)	3,170
Non-flow-through exploration expenses	**1,046**	13,008	(11,962)
	$ 106,041	$ 319,822	$ (213,781)
BC refundable tax credits receivable	**(135,000)**	-	(135,000)
Total exploration expenses	**$ (28,959)**	$ 319,822	$ (348,781)

Three months ended December 31,	**2021**	2020	Change
Dewdney Trail Property	**$ 5,044**	$ 8,831	$ (3,787)
Eddy Property	**17,913**	16,715	1,198
Zinger Property	**1,957**	2,803	(846)
Vine Property	**1,794**	2,175	(381)
DD Property	**-**	9,836	(9,836)
Gold Shear Property	**79,057**	276,766	(197,709)
Parker Copper Property	**276**	-	276
Others	**-**	2,696	(2,696)
	$ 106,041	$ 319,822	$ (213,781)
BC refundable tax credits receivable	**(135,000)**	-	(135,000)
Total exploration expenses	**$ (28,959)**	$ 319,822	$ (348,781)

The most significant changes during the fourth quarter of fiscal 2021, when compared to the same period of fiscal 2020 are:

- A decrease in GG&G for $7,409 which was composed of an increase in geological work for approximately $4,000; a decrease in geophysics for approximately $14,000 and an increase in prospecting work for approximately $3,000.
- GG&G on the Dewdney Trail Property increased during the period for approximately $3,000; while the Eddy and Gold Shear properties decreased their GG&G expenditures by approximately $3,000 and $7,000, respectively.
- The decrease in land right payments for $17,892 is composed of a decrease at the Dewdney Trail and Eddy properties of approximately $6,000 and $2,000 respectively, and at the DD Property, that was optioned out, of approximately $10,000.
- The decrease in drilling expenses of $179,168 was due to reductions at the Gold Shear Property.
- Non-flow-through exploration expenses were reduced by $11,962 because of more specific allocation of salaries.
- The provision of a BC refundable tax credit of $135,000 (Q4 F2020 - $Nil).

General and Administration:

The following schedule describes the general and administration expenses incurred by PJX during the fourth quarter of Fiscal 2021 compared to the same period of Fiscal 2020:

Three months ended December 31,	2021	2020	Change
Insurance	**$ 3,475**	$ 2,269	$ 1,206
Interest, bank charges and penalties	**371**	334	37
Investor relations	**18,235**	12,121	6,114
Listing and regulatory fees	**28,755**	7,301	21,454
Office expenses	**4,031**	6,756	(2,725)
Professional fees	**40,348**	132,013	(91,665)
Rent	**890**	3,687	(2,797)
Salaries and benefits	**67,295**	48,624	18,671
Taxes and levies	**-**	(381)	381
Travel and transportation	**5,339**	447	4,892
	$ 168,739	$ 213,171	$ (44,432)

The most significant changes in general and administration expenses for the three months ended December 31, 2021, when compared to the same period of Fiscal 2020 are:

- The increase in investor relations of $6,114 related to the reactivation of an investor relation contract;
- The increase in listing and regulatory fees of $ 21,454, mainly as a result of listing of the Company with OTC Markets;
- The decrease in professional fees of $91,665 resulting from approximately $75,000 incurred during the fourth quarter of fiscal 2020 in legal expenses associated with the sale of certain royalties by PJX to Osisko;
- The increase in salaries of $18,671 as a result of the increase in management compensation effective July, 2021.
- The increase in travel and transportation of $4,892 relates to the increase in non-IR-related travel activities during the fourth quarter of fiscal 2021.

RELATED PARTY TRANSACTIONS

The following transactions were carried out with related parties:

a) Purchase of services:

During the years ended December 31, 2021 and 2020, the Company contracted legal services from a firm where a partner is also a director of PJX. During the year ended December 31, 2021, the Company purchased geological services from a director of the Company.

Years ended December 31,	2021	2020
Fees paid or accrued to a law firm where a director of the Company is a partner	**$ 129,738**	$ 52,752
Fee paid to a director for geological services rendered	**6,768**	1,200
	$ 136,506	$ 53,952

b) Key management compensation:

Key management includes directors (executive and non-executive), and senior officers (Chief Executive Officer and Chief Financial Officer). The compensation paid and payable to key management for employee services is shown below:

Years ended December 31,	2021	2020
Salaries and bonuses	**$ 291,900**	$264,000
Share-based compensation	**280,482**	256,348
	$ 572,382	$520,348

c) Period-end balances arising from purchases of services and key management compensation:

December 31,	2021	2020
Payable to officers and directors	$ -	$ 4,508
Payable to a law firm where a director of the Company is a partner	3,591	52,752
	$ 3,591	$ 57,260

Payables to related parties for purchases and services are due on thirty days after reception and bear no interest. All transactions with related parties for purchases and services are on an arm's length basis and recorded at exchange amounts.

COMMITMENTS, CONTINGENCIES AND CONTRACTUAL OBLIGATIONS

The Company is a party to certain employment contracts. These contracts contain clauses requiring that $960,000 be paid upon a change of control of the Company. As the likelihood of these events taking place is not determinable, the contingent payments have not been reflected in the Company's December 31, 2021 financial statements.

The Company's exploration activities are subject to various federal, provincial and international laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Pursuant to the terms of certain flow-through share agreements, the Company needs to comply with its flow-through contractual obligations with subscribers with respect to the Income Tax Act (Canada) by incurring qualified exploration expenditures before December 31, of the year following the year in which the agreement is entered into. The Company indemnifies the subscribers of current and previous flow-through share offerings against any tax related amounts that become payable by the shareholder as a result of the Company not meeting its expenditure commitments. As of December 31, 2021, PJX has a flow-through exploration obligation of approximately $662,000 to incur before December 31, 2022.

TREND INFORMATION

There are no major trends which are anticipated to have a material effect on the Company's financial condition and results of operations in the near future.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements, capital lease agreements or long-term debt obligations.

PROPOSED TRANSACTIONS

There are no proposed transactions that will materially affect the performance of the Company.

CRITICAL ACCOUNTING ESTIMATES AND CHANGES IN ACCOUNTING POLICIES

Critical accounting estimates and judgments

The preparation of financial statements requires management to use judgment in applying its accounting policies and estimates and assumptions about the future. Estimates and other judgments are continuously evaluated and are based on management's experience and other factors, including expectations about future events that are believed to be reasonable under the circumstances. The following discusses the most significant accounting judgments and estimates that the Company has made in the preparation of the financial statements:

- The inputs used in accounting for share-based payment transactions in profit or loss. PJX estimates the value of stock-based compensation granted using the Black-Scholes valuation method. Several assumptions including volatility, risk-free interest rate and expected option life are significant assumptions used in determining the values of options.
- The assumptions used for determining the amount of deferred income tax assets, liabilities, expense and recovery, including the income tax rate to be used and recoverability of deferred tax assets involve critical judgement and estimates.
- The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.
- The inputs used in accounting for share purchase warrants transactions in the statement of financial positions. PJX estimates the warrants issued using a standard valuation method. Several assumptions including volatility, risk-free interest rate and expected warrant life are significant assumptions used in determining the values of warrants.
- The assumptions under which the Company established an obligation to incur restoration, rehabilitation and environmental costs as they may arise when environmental disturbance is caused by exploration programs the Company might run. The estimation of future amounts to be incurred and discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. See also "Commitments, Contingencies and Contractual Obligations."

Changes in accounting policies:
During the year ended December 31, 2021, the Company adopted a number of amendments and improvements of existing standards. These included amendments to IFRS 9 and IFRS 16. These new standards and changes did not have any material impact on the Company's financial statements.

Future accounting changes:
Certain pronouncements were issued by the International Accounting Standards Board ("IASB") or the International Financial Reporting Interpretations Committee ("IFRIC") that are mandatory for accounting periods commencing on or after January 1, 2022. Many are not applicable or do not have a significant impact to the Company and have been excluded.

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

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

The Company is currently evaluating the impact of these amendments on its financial statements.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Company's financial instruments include cash and cash equivalents, accounts receivable, deposits and advances, accounts payable and accrued liabilities. Cash and cash equivalents are measured at amortized cost. Account receivables is classified as loans and receivables, which are measured at amortized cost. Accounts payable, accrued liabilities are classified as other financial liabilities, which are measured at amortized cost. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from its financial instruments and that their fair values approximate their carrying value unless otherwise noted.

Fair Value

Fair value estimates are made at the balance sheet date based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties in significant matters of judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

The book values of the cash, other receivables, other financial assets, and accounts payable and accrued liabilities, approximate their respective fair values due to the short-term nature of these instruments. A summary of the Company's risk exposures as it relates to financial instruments are reflected below:

Financial risk

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, and market risk (including interest rate and commodity and equity price risk). Risk management is carried out by the Company's management team with guidance from the Board of Directors.

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash, deposits and tax credits receivables from the BC provincial government. Cash is held with reputable Canadian chartered banks, from which management believes the risk of loss to be minimal. Deposits are held with the British Columbia Ministry of Energy and Mines, from which management believes that the credit risk is minimal. Credit risk related to the BC refundable tax credits is also assessed to be minimal.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. At December 31, 2021, the Company had a cash balance of $2,637,608 (December 31, 2020: $1,061,346) to settle current liabilities of $152,820 which includes a non-cash flow through premium liability of $77,916 (December 31, 2020: $48,805). All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

Market risk

Interest rate risk

The Company's current policy is to invest excess cash in interest bearing accounts at major Canadian chartered banks. The Company periodically monitors its cash management policy. As at December 31, 2021, the Company did not have any amounts invested in interest bearing accounts.

Sensitivity analysis

As of December 31, 2021, both the carrying and fair value amounts of the Company's financial instruments are the same. Based on Management's knowledge and experience of the financial markets, the Company believes that is “reasonably possible” that commodity price fluctuation could adversely affect the Company. In particular, the Company’s future profitability and viability of development depends upon the world market price of mineral commodities. As of December 31, 2021, the Company was not in the production phase. As a result, commodity price risk may affect the completion of future equity transactions such as equity offerings and the exercise of stock options. This may also affect the Company's liquidity and its ability to meet its ongoing obligations.

Capital Management

When managing capital, the Company’s objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management adjusts the capital structure as necessary in order to support the acquisition, exploration and development of its exploration properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the years ended December 31, 2021 and 2020. The Company is not subject to externally imposed capital requirements.

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than of the TSX Venture Exchange (“TSXV”) which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months. As of December 31, 2021, the Company believes it is compliant with the Policies of the TSXV.

DISCLOSURE CONTROLS AND PROCEDURES

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

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

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

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

RISKS AND UNCERTAINTIES

Exploration is the Research & Development foundation of the Minerals and Metals Industry. The mineral claims to which the Company has a right to acquire an interest or owns are in the exploration stages and are without a known body of commercial ore. The Company does not hold any interest in a mining property in production and is focused on exploration to make new discoveries with the potential to be brought into production. The Company continues to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Development of the mineral properties would follow only if favorable results are determined at each stage of assessment.

PJX's business of exploring mineral resources involves a variety of operational, financial and regulatory risks that are typical in the natural resource industry. The Company attempts to mitigate these risks and minimize their effect on its financial performance, but there is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered given its early stage of operations. The risks and uncertainties described in this section are not inclusive of all the risks and uncertainties to which the Company may be subject.

Liquidity and Capital Markets Risks

Global economic and other factors impact markets. The Company anticipates future expenditures will require additional infusions of capital; there can be no assurance that such financing will be available or, if available, will be on reasonable terms depending on market and other factors beyond the control of the Company. If financing is obtained by issuing common shares from treasury, control of the Resulting Issuer may change and investors may suffer additional dilution. Furthermore, if financing is not available, lease expiry dates, work commitments, rental payments or option payments, if any, may not be satisfied and could result in a loss of shareholder investment.

Dependence on Management

The Company is very dependent upon the personal efforts and commitment of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Company could result, and other persons would be required to manage and operate the Company.

Regulatory / Political Risk

The Company's exploration properties are located in British Columbia, Canada. The Company requires permits from various government authorities and, depending on the stage of development, such operations may be governed by laws, regulations or responsibilities relating to prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environment, First Nations consultation and other matters. The Company works with all interested parties on an on-going basis to comply with all applicable material laws and regulations and address the interests of communities where it operates. There can be no assurance, however, that all permits which the Company may require for its operations and exploration activities will be obtainable on reasonable terms or on a timely basis or that laws, regulations, or actions would not have an adverse effect on any exploration or mining project which the Company might undertake.

Indigenous Rights and Other Title Risks
Although the Company has exercised due diligence with respect to determining title to properties in which it has a material interest, and government records support PJX's title, there is no guarantee that title to such properties will not be challenged or impugned. The Company's mineral property interest may be challenged by prior unregistered agreements, or transfers, or conflicting claims; or indigenous claims, and title may be affected by undetected defects.

Land Use and Ecosystem Impacts Risks
Although the Company has exercised due diligence with respect to determining land use and ecosystem impacts on its properties and government permits support PJX's regulatory compliance, there is no guarantee that existing regulations applicable to such properties will not be challenged or impugned. The Company works with the regulatory authorities to provide comment and stakeholder input in effort to ensure the Company protects its properties in conjunction with adhering to best practices in regards to land use and ecosystem impacts.

Climate Change Risks
The Company's operations are sometimes subject to seasonal forest fire impacts and potential impacts with respect to water access for exploration purposes. Such operations are governed by laws, regulations or responsibilities as determined by governmental authorities. The Company works with all interested parties on an on-going basis to comply with all applicable material laws and regulations and address the interests of communities where it operates. There can be no assurance, however, that the Company may continue operations and exploration activities on a timely basis or that laws, regulations, or actions would not have an adverse effect on any exploration or mining project which the Company might undertake.

Metal Prices
The mining industry, in general, is intensely competitive and there is no assurance that a profitable market will exist for the sale of metals produced even if commercial quantities of precious and/or base metals are discovered. Factors beyond the control of the Company may affect the marketability of metals discovered. Pricing is affected by numerous factors beyond the Company's control, such as international economic and political trends, global or regional consumption and demand patterns, increased production and smelter availability. There is no assurance that the price of metals recovered from any mineral deposit will be such that they can be mined at a profit.

Shareholder Dilution
The Company's constating documents permit the issuance of an unlimited number of common shares and a limited number of preferred shares issuable in series on such terms as the Directors determine without the approval of shareholders, who have no pre-emptive rights in connection with such issuances. In addition, the Company is required to issue common shares upon the conversion of its outstanding share purchase warrants and options in accordance with their terms. Accordingly, holders of common shares may suffer dilution.

COVID-19 Risk
Even though most COVID-19 restrictions have been lifted in British Columbia, management believes COVID-19 may continue to have effects related to disruptions of workforces, economies, and financial markets globally. This potentially increases the risk of labour force disruption (including the supply of contract labour, equipment or site access) for PJX. Labour force disruption could also affect the provision of services to the Company such as delays in the receipt of laboratory results or provision of supplies. In

addition, COVID-19 has the potential to spread rapidly and place the Company's workforce at risk. The Company follows WorkSafeBC BC and Provincial Health Office of British Columbia guidelines to protect its workforce and its operations from the risks and potential adverse impacts of the pandemic.

It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds. The Company continues to actively monitor the situation and may take additional measures, if and to the extent warranted, as matters develop. There can be no assurance, however, that such steps and measures will be sufficient to fully mitigate all such risks and potential adverse impacts.

OUTSTANDING SHARE DATA

The following schedules reconcile shares, options and warrants issued subsequent to year end as well as provide the fully diluted capital position of the Company as at the date of this report:

Total shares issued at December 31, 2021 and date of this report	133,216,488
Warrants outstanding at the date of this report	42,365,611
Options outstanding at the date of this report	9,462,500
Fully diluted number of shares at the date of this report	**185,044,599**

Warrants:

As part of the financing announced on December, 2020, the Company issued 649,733 compensation warrants valued at $30,799. Each warrant entitles the holder to purchase one common share of the Company at a price of $0.25 per share for 36 months.

As the proceeds received by the Company on October 6, 2020, for a flow-through and non-flow through unit at the time of the transaction were different, a premium on flow-through shares of $62,000 was recorded. The premium has been deducted from capital and a flow-through premium liability for the same amount was recorded. The premium is subsequently amortized as the flow-through funds are utilized in qualified exploration programs.

As part of the financing announced on October 6, 2020, the Company issued 301,120 compensation warrants valued at $16,911. Each warrant entitles the holder to purchase one common share of the Company at a price of $0.20 per share for 24 months.

On May 3, 2021, the Company announced that it has extended the term of 12,296,276 share purchase warrants. The Warrants were issued pursuant to a private placement announced on May 1, 2018 and accepted for filing by the TSX Venture Exchange on May 17, 2018. The Warrants were due to expire on May 15, 2021, and are exercisable at $0.25 per share. The new expiration date of the Warrants is May 15, 2022. All other terms of the warrants, including the exercise price remain unchanged.

On August 29, 2021, 6,833,284 warrants valued at $332,611, exercisable at $0.25 expired unexercised.

On November 22, 2021, the Company announced it has extended the term of 4,574,131 share purchase warrants. The Warrants were issued pursuant to a private placement announced on December 17, 2018, and accepted for filing by the TSX Venture Exchange on December 19, 2018. The Warrants were due to expire on December 17, 2021, and are exercisable at $0.30 per share. The new expiration date of the Warrants is December 17, 2022. All other terms of the warrants, including the exercise price remain unchanged.

The following schedule describes the warrants outstanding at the date of this report:

Expiry Date	Number of Warrants	Exercise price	Value
May 15, 2022**	12,296,276	0.25	537,320
October 5, 2022	9,350,400	0.20	332,443
October 5, 2022	301,120	0.20	16,911
December 5, 2022	5,802,157	0.25	249,241
December 5, 2022	649,733	0.25	30,799
December 17, 2022 *	4,574,131	0.30	241,972
December 20, 2023	9,391,794	0.25	387,478
Balance at the date of this report	**42,365,611**	**$ 0.24**	**$ 1,796,164**

* Exercisable at $0.25 until December 17, 2020 and at $0.30 from then until December 17, 2021, and subsequently extended to December 17, 2022.

** Warrants originally expiring on May 15, 2021 and extended to May 15, 2022.

Share based compensation:

The Company has a stock option plan (the "Plan") to provide incentive for the directors, officers, employees, consultants and service providers of the Company. The maximum number of shares which may be set aside for issuance under the Plan is 10% of the outstanding common shares.

On August 11, 2020, the Company granted an aggregate of 2,792,500 options to employees, officers, directors and consultants of the Company, pursuant to the Company's Plan, at an exercise price of $0.20 per share. Out of the options granted, 2,632,500 were fully vested on granting and 160,000 vest every quarter over a period of 1 year, with the first quarter vesting three months after granting. All options granted are exercisable until August 11, 2025. The fair value of each option was estimated on the date of the grant using the Black-Scholes option pricing model, with the following assumptions: share price of $0.14, expected dividend yield of 0%, expected volatility of 109%; risk-free interest rate of 0.38%; and an expected average life of 5 years. The fair value of all these options was estimated at $289,233 of which $280,122 were amortized during fiscal 2020 and the remaining balance of $9,111 was vested during the year ended December 31, 2021.

On September 13, 2021, the Company granted an aggregate of 2,685,000 incentive stock options to employees, officers, directors and consultants of the Company, pursuant to the Company's Plan, at an exercise price of $0.20 per share. Out of the options granted, 2,645,000 were fully vested on granting and 40,000 vest every quarter over a period of 1 year, with the first quarter vesting three months after granting. All options granted are exercisable until September 12, 2026. The fair value of each option was estimated on the date of the grant using the Black-Scholes option pricing model, with the following assumptions: share price of $0.17, expected dividend yield of 0%, expected volatility of 106%; risk-free interest rate of 0.82%; and an expected average life of 5 years. The fair value of all these options was estimated at $342,315 of which $338,683 has been vested as of December 31, 2021.

On July 20, 2020, 1,380,000 options exercisable at $0.19, expired unexercised.

During Fiscal 2021, 1,150,000 options with a weighted average exercise price of $0.23 were cancelled and 2,885,000 options with an exercise price of $0.20 expired on November 17, 2021.

The following schedule describes the outstanding options as of the date of this report:

Expiry Date	Exercise price	Life remaining in years	Number outstanding	Number vested
August 19, 2023	$0.25	1.33	1,675,000	1,675,000
January 3, 2024	$0.25	1.71	2,610,000	2,610,000
August 11, 2025	$0.20	3.31	2,492,500	2,492,500
September 12, 2026	$0.20	4.95	2,685,000	2,655,000
Balance at the date of this report	**$0.22**	**1.58**	**9,462,500**	**9,432,500**

QUALIFIED PERSON

The above scientific and technical information has been prepared or reviewed by John Keating, P.Geo., President and Chief Executive Officer of the Company. Mr. Keating also supervises all work associated with the Company's exploration programs and is a "qualified person" within the meaning of National Instrument 43-101.

Corporate Information

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CFO, Corporate Secretary
Vancouver, BC, Canada

James Clare, LLB
Toronto, Ontario, Canada

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Toronto, Ontario, Canada

Dr. Trygve Hoy, PhD, MSc, P. Eng(1) (2)
Sooke, B.C, Canada

Victor Bradley, CPA CA(1) (2)
Monaco

(1) Audit Committee
(2) Compensation Committee
(3) Executive Chairman

Officers
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Linda Brennan, B.Comm
CFO, PJX Resources Inc.
Vancouver, British Columbia, Canada

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Tier 2 Company,
Trading Symbol PJX
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Investor Relations
Further information about the Company is available on the Company's website at www.pjxresources.com

The Company's filings with Canadian securities regulatory authorities can be accessed on SEDAR at www.sedar.com