PROBE METALS INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED DECEMBER 31, 2021

(EXPRESSED IN CANADIAN DOLLARS)

The following Management's Discussion and Analysis ("**MD&A**") of the financial condition and results of the operation of Probe Metals Inc. (the "**Company**" or "**Probe**") constitutes management's review of the factors that affected the Company's financial and operating performance for the year ended December 31, 2021. This MD&A was written to comply with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the audited consolidated financial statements of the Company for the year ended December 31, 2021 and 2020, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's consolidated financial statements and the financial information contained in this MD&A are prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**") and interpretations of the IFRS Interpretations Committee. In the opinion of management, all adjustments (which consist only of normal recurring adjustments) considered necessary for a fair presentation have been included. Information contained herein is presented as of April 7, 2022, unless otherwise indicated.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors (the "**Board**"), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Further information about the Company and its operations is available on the Company's website at **www.probemetals.com** or on SEDAR at **www.sedar.com**.

This MD&A contains forward-looking information as further described in the "Cautionary Note Regarding Forward-Looking Statements" at the end of this MD&A. Please also make reference to those risk factors identified or otherwise indirectly referenced in the "Risks and Uncertainties" section below.

Description of Business and Nature of Operations

Probe is a Canadian gold exploration company focused on the acquisition, exploration and development of highly prospective gold properties. The Company is committed to discovering and developing high-quality gold projects, including its key asset the multimillion-ounce Val-d'Or East Gold Project, Québec. The Company controls a strategic land package of approximately 1,500-square-kilometres of exploration ground within some of the most prolific gold belts in Québec.The Company is a reporting issuer in the provinces of Ontario, Alberta, British Columbia, and Quebec, and its common shares are listed for trading on the TSX Venture Exchange ("**TSXV**") under the symbol "PRB".

Probe owns 100% of its flagship asset, the Val-d'Or East Project, located approximately 26 kilometres east of the city of Val-d'Or in Québec, Canada. The Val-d'Or East Project includes the Pascalis, Monique, Courvan Senore, Beaufor North, Lapaska, Bonnefond North, Aurbel East and Megiscane-Tavenier properties. On November 28, 2016, the Company entered into an option agreement with O3 Mining Inc ("**O3 Mining**") (formerly with Alexandria Minerals Corporation) whereby the Company may earn 60% interest in the Cadillac Break East Property, located 25 kilometres east-southeast of Val-d'Or. On April 26, 2021, the Company fulfilled all of its obligations under the option and vested its 60% interest in the property.

A joint venture was formed with O3 Mining. The Company has a joint venture partnership on the Dubuisson Property, located in Dubuisson Township approximately 7 kilometres west of downtown Val-d'Or, with Agnico-Eagle Mines Limited ("Agnico"). The Dubuisson joint venture was formed in 2010. The joint venture participation is 46.3% Probe Metals and 53.7% Agnico.

The Company's Detour Quebec Project includes the La Peltrie option property, the Gaudet-Fenelon joint venture property, and its 100%-owned Detour Quebec Main and North properties. The Detour Quebec Project covers an area of 777 square kilometres and is located 190 kilometres north of Rouyn-Noranda and 40 kilometres northwest of the town of Matagami in Quebec. On July 9, 2020, Probe optioned the La Peltrie property from Midland Exploration Inc. ("**Midland**"). The terms of the option include cash/share payments and work commitments to acquire up to 65% interest. On July 30, 2020, the Company announced a joint venture agreement with Midland. The companies each own a 50% interest in contiguous claims contributed by Probe (65 claims) and Midland (161 claims) centered on Probe's Nantel-Fenelon property.

The 100%-own Casa Cameron Project includes the Casagosic, Sinclair-Bruneau and Florence properties, which are located north of the towns of La Sarre, Amos and Lebel-sur-Quevillon, respectively, in the northwest region in Quebec.

The Company owns a 100% interest in three properties in the James Bay Lowlands area of northern Ontario, Canada: the Black Creek Property, the Tamarack-McFauld's Lake Property, and the Victory Property.

The Company has a 50/50 joint venture with Pan American Silver on the Meunier-144 property. The Meunier-144 property is located in the western part of the prolific Timmins gold camp, approximately 19 kilometres west of the town of Timmins in Ontario.

On April 10, 2017, the Company entered into an option agreement with Myriad Metals Inc. on its Millen Mountain gold project in the Middle Mosquodoboit area of Nova Scotia. Under the terms of the agreement, Probe can earn up to 75% of the property by incurring work expenditures.

The Company also considers additional acquisitions of mineral property interests, or corporations holding mineral property interests, with the objectives of: (i) creating additional value for shareholders through the acquisition of additional mineral exploration properties; and (ii) helping to minimize exploration risk by attempting to diversify the Company's property portfolio. Although the Company believes that the current exploration prospects for its exploration projects are positive, mineral exploration in general is both uncertain and subject to fluctuating commodity prices resulting from changing trends in supply and demand.

Financial and Operating Highlights

Corporate

On February 24, 2021, the Company granted options to acquire a total of 1,475,000 common shares of the Company to officers, directors, key employees and consultants at the exercise price of $1.42 per share for a period of five years, subject to vesting requirements.

On February 24, 2021, the Company granted 920,000 Restricted Share Units ("**RSUs**") to officers, directors, key employees and consultants of the Company under the terms of the Company RSU Plan. Each RSU entitles the holder to acquire one common share of the Company by delivering an exercise notice in accordance with the RSU Plan. The RSUs grant follows the guideline of the RSU Plan.

On June 7, 2021, the Company appointed Aleksandra (Sasha) Bukacheva to its Board. The Company granted 30,000 RSUs and 200,000 options to Aleksandra (Sasha) Bukacheva to acquire a total of 200,000 common shares of the Company at the exercise price of $1.72 per share for a period of five years, subject to vesting requirements.

On June 22, 2021, 860,000 RSUs vested. 310,500 of these RSUs converted to common shares with a value of $378,810, 364,500 RSUs were settled in cash for withholding taxes with a value of $579,555 and 185,000 RSUs settled in cash with a value of $294,150.

On July 23, 2021, the Company announced that it completed the second payment due in consideration a binding option agreement with Midland Exploration Inc. ("**Midland**"), whereby Probe may earn up to a 65% interest in the La Peltrie gold property. Pursuant to the agreement, the Company issued 32,544 common shares to Midland for the second payment for a total value of $55,000 based on a 5-day weighted average price of $1.69 per share on the TSXV. The common shares issued to Midland are subject to a statutory four month and a day hold period.

On July 26, 2021, the Company received the $862,322 income tax receivable.

On September 1, 2021, 50,000 stock options with an exercise price of $1.50 expired unexercised.

On September 9, 2021, 100,000 stock options with an exercise price of $1.76 expired unexercised.

On September 14, 2021, the Company appointed Ann Lamontagne as the director of infrastructure, environment and sustainability. The Company granted 75,000 options to Ann Lamontagne to acquire a total of 75,000 common shares of the Company at the exercise price of $1.96 per share for a period of five years, subject to vesting requirements.

During the year ended December 31, 2021, 5,372,750 warrants with an exercise price of $1.30 and expiry date of December 10, 2021 were exercised for gross proceeds of $6,984,575.

During the year ended December 31, 2021, 2,670,000 stock options with an exercise price of $1.50 and expiry date of September 1, 2021 were exercised for gross proceeds of $4,005,000.

Trends and Economic Conditions

<table>
<tr><th rowspan="3">Metal</th><th colspan="6">Average spot price</th><th colspan="3">Period end spot price</th></tr>
<tr><th colspan="3">Three months ended December 31,</th><th colspan="3">Twelve months ended December 31,</th><th>December 31,</th><th>December 31,</th><th rowspan="2">% Change</th></tr>
<tr><th>2021</th><th>2020</th><th>% Change</th><th>2021</th><th>2020</th><th>% Change</th><th>2021</th><th>2020</th></tr>
<tr><td>Gold (US$ per oz)</td><td>$1,795</td><td>$1,876</td><td>(4)%</td><td>$1,799</td><td>$1,772</td><td>2%</td><td>$1,830</td><td>$1,886</td><td>(3)%</td></tr>
</table>

Management regularly monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions.

Due to the worldwide COVID-19 pandemic, material uncertainties may arise that could influence management's going concern assumption. Management cannot accurately predict the future impact COVID-19 may have on:

- Global gold prices;
- Demand for gold and the ability to explore for gold;
- The severity and the length of potential measures taken by governments to manage the spread of the virus, and their effect on labour availability and supply lines;
- Availability of government supplies, such as water and electricity;
- Purchasing power of the Canadian dollar; and
- Ability to obtain funding.

At the date of this MD&A, the Canadian federal government and the provincial governments of Ontario and Quebec have not introduced measures that have directly impeded the operational activities of the Company other than the Company had to bring new working procedures in place since resuming activities on May 11, 2020. Although cash in the Company has declined, management believes the business will continue and, accordingly, the current situation has not impacted management's going concern assumption. However, it is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods.

Apart from these and the risk factors noted under the heading "Risks and Uncertainties", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations.

See "Cautionary Note Regarding Forward-Looking Statements" below.

Outlook

The Company intends to continue exploring properties that have the potential to contain precious and base metals. In addition, management will review project submissions, and conduct independent research, for projects in such jurisdictions and commodities as it may consider prospective.

During the 2022 Fiscal Year the Company is planning an extensive drilling program totaling more than 160,000 metres. The majority of the drilling program will be used to advance the Val-d'Or East project towards development and will comprise infill drilling, which will assist in the conversion of inferred resources into indicated and/or measured; expansion drilling, which will potentially increase gold resources; and exploration drilling to identify potential new sources of gold mineralization. The 2022 work programs will also include other development-focused studies that will advance metallurgical, mining, environmental and permitting activities. In addition to work at Val-d'Or East, regional programs will be carried out on properties along the Detour and Casa Cameron trends and will comprise, geochemical, geological and geophysical surveys, as well as drilling, designed to identify new gold-mineralized systems.

There is no assurance that equity capital will be available to the Company in the future in the amounts or at the times desired or on terms that are acceptable to the Company, if at all. See "Risks and Uncertainties" below.

Selected Annual Financial Information

	Year Ended December 31, 2021 ($)	Year Ended December 31, 2020 ($)	Year Ended December 31, 2019 ($)
Revenues	-	-	-
Interest and other income	180,999	318,957	567,676
Net loss	(12,773,520)	(14,615,363)	(4,959,232)
Net loss per share - basic	(0.10)	(0.12)	(0.04)
Net loss per share - diluted	(0.10)	(0.12)	(0.04)
	As at December 31, 2021 ($)	**As at December 31, 2020 ($)**	**As at December 31, 2019 ($)**
Total assets	34,876,135	37,546,014	41,721,070
Total non-current financial liabilities	1,906,709	1,092,792	263,748
Distribution or cash dividends	nil	nil	nil

- The net loss for the year ended December 31, 2021, consisted primarily of exploration and evaluation expenditures of $11,299,791, general and administrative of $6,036,102, accretion expense of $747,160 and unrealized loss on marketable securities of $1,696,736. This was offset by interest and other income of $180,999, premium on flow-through shares of $3,954,139 and realized gain on sale of marketable securities of $2,871,131.

- The net loss for the year ended December 31, 2020, consisted primarily of exploration and evaluation expenditures of $14,663,612, general and administrative of $5,559,055, accretion expense of $131,746 and unrealized loss on marketable securities of $145,731. This was offset by interest and other income of $318,957, premium on flow-through shares of $5,203,861 and realized gain on sale of marketable securities of $361,963.

- The net loss for the year ended December 31, 2019, consisted primarily of exploration and evaluation expenditures of $7,792,692, general and administrative of $3,408,595 and accretion expense of $134,452. This was offset by interest and other income of $567,676, premium on flow-through shares of $2,755,301, realized gain on sale of marketable securities of $94,753 and unrealized gain on marketable securities of $1,955,467.

- As the Company has no recurring revenue, its ability to fund its operations is dependent upon securing financing. See "Trends and Economic Conditions" above and "Risk Factors" below.

Investment Strategies and Oversight

We generally acquire and hold investments with a medium to long term view, on the basis of perceived value and growth opportunities and the ability of management teams to effectively execute business plans. We manage our investment portfolio in-house, relying upon the broad industry knowledge and expertise of management to identify and evaluate investment opportunities and monitor the investee companies on an on-going basis.

Investment performance is monitored via available market data (including continuous disclosure made by the investees that are public companies) and contact with investee management. Monitoring may also include involvement on the Board of an investee, where the size of the investment or other factors so warrant.

Our exit strategies include mergers or the achievement of other significant milestones for our investee companies, but may also involve otherwise timely dispositions of the securities in the secondary market, if and when warranted, and receipt of third-party bids for the securities which are beneficial to us, in the circumstances.

Notwithstanding the foregoing, we may pursue a particular investment or series of investments that may diverge from these strategies from time to time, where suitable opportunities present themselves.

Environmental Contingency

The Company's mining and exploration activities are subject to various laws and regulations relating to the protection of the environment. These environmental regulations are continually changing and are generally becoming more restrictive. As of December 31, 2021, the Company does not believe that there are any significant environmental obligations requiring material capital outlays in the immediate future.

Off-Balance Sheet Arrangements

As of the date of this filing, the Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company including, without limitation, such considerations as liquidity and capital resources that have not previously been discussed.

Proposed Transactions

There are no proposed transactions of a material nature being considered by the Company. The Company continues to evaluate properties and corporate entities that it may acquire in the future.

Selected Quarterly Information

Three Months Ended	Total Revenue ($)	Profit or Loss: Total ($)	Profit or Loss: Basic and Diluted Loss Per Share [9] ($)	Total Assets ($)
2020-March 31	-	(7,364,842) [1]	(0.06)	36,430,015
2020-June 30	-	(741,608) [2]	(0.01)	36,865,606
2020-September 30	-	(2,758,860) [3]	(0.02)	33,170,225
2020-December 31	-	(3,750,053) [4]	(0.03)	37,546,014
2021-March 31	-	(1,282,815) [5]	(0.01)	36,134,513
2021-June 30	-	(2,988,823) [6]	(0.02)	32,280,801
2021-September 30	-	(3,996,486) [7]	(0.03)	30,974,929
2021-December 31	-	(4,505,396) [8]	(0.03)	34,876,135

(1) Net loss of $7,364,842 principally relates to exploration expenditures of $4,222,320, share-based payments of $1,331,227, salaries and benefits of $290,527, travel and promotion costs of $109,493, professional fees of $74,955, administrative costs of $21,755, occupancy costs of $4,451, director fees of $76,378, shareholder information of $72,800, depreciation of $33,313, interest expense of $31,795 and unrealized loss on marketable securities of $2,348,885. These costs were offset by $161,619 in interest and other income and premium on flow-through shares of $1,091,438.

(2) Net loss of $741,608 principally relates to exploration expenditures of $3,346,663, share-based payments of $624,801, salaries and benefits of $136,755, travel and promotion costs of $30,102, professional fees of $68,945, administrative costs of $24,433, occupancy costs of $4,452, director fees of $78,750, shareholder information of $39,527, depreciation of $34,413 and interest expense of $32,514. These costs were offset by $70,069 in interest and other income, premium on flow-through shares of $1,156,633 and unrealized gain on marketable securities of $2,453,045.

(3) Net loss of $2,758,860 principally relates to exploration expenditures of $3,943,916, share-based payments of $562,103, salaries and benefits of $151,852, travel and promotion costs of $38,763, professional fees of $222,341, administrative costs of $22,386, occupancy costs of $4,453, director fees of $78,750, shareholder information of $27,351, depreciation of $38,515, interest expense of $31,906 and realized loss on sale of marketable securities of $9,825. These costs were offset by $45,192 in interest and other income, premium on flow-through shares of $1,718,691 and unrealized gain on marketable securities of $609,418.

(4) Net loss of $3,750,053 principally relates to exploration expenditures of $3,150,713, share-based payments of $528,286, salaries and benefits of $351,371, travel and promotion costs of $50,911, professional fees of $77,584, administrative costs of $174,643, occupancy costs of $3,809, director fees of $108,750, shareholder information of $21,523, depreciation of $38,587, accretion expense of $35,531 and

unrealized loss on marketable securities of $859,309. These costs were offset by $42,077 in interest and other income, premium on flow-through shares of $1,237,099 and realized gain on sale of marketable securities of $371,788.

(5) Net loss of $1,282,815 principally relates to exploration expenditures of $2,764,674, share-based payments of $554,433, salaries and benefits of $339,986, travel and promotion costs of $38,626, professional fees of $48,793, administrative costs of $35,460, occupancy costs of $4,768, director fees of $79,025, shareholder information of $80,004, depreciation of $39,494, accretion expense of $30,528 and realized loss on sale of marketable securities of $18,420. These costs were offset by $45,449 in interest and other income, premium on flow-through shares of $1,124,272 and unrealized gain on marketable securities of $1,581,675.

(6) Net loss of $2,988,823 principally relates to exploration expenditures of $2,266,595, share-based payments of $795,482, salaries and benefits of $221,798, travel and promotion costs of $27,227, professional fees of $40,635, administrative costs of $41,909, occupancy costs of $6,928, director fees of $78,475, shareholder information of $33,588, depreciation of $39,636, accretion expense of $29,404 and unrealized loss on marketable securities of $3,235,007. These costs were offset by $41,054 in interest and other income, premium on flow-through shares of $897,256 and realized gain on sale of marketable securities of $2,889,551.

(7) Net loss of $3,996,486 principally relates to exploration expenditures of $3,244,803, share-based payments of $541,082, salaries and benefits of $430,376, travel and promotion costs of $56,944, professional fees of $70,022, administrative costs of $59,705, occupancy costs of $4,768, director fees of $83,750, shareholder information of $11,109, depreciation of $39,636, accretion expense of $28,137 and unrealized loss on marketable securities of $571,125. These costs were offset by $53,712 in interest and other income and premium on flow-through shares of $1,091,259.

(8) Net loss of $4,505,396 principally relates to exploration expenditures of $3,023,719, share-based payments of $802,035, salaries and benefits of $1,090,021, travel and promotion costs of $39,292, professional fees of $67,343, administrative costs of $47,036, director fees of $137,106, shareholder information of $18,774, depreciation of $44,048 and accretion expense of $659,091. These costs were offset by $40,784 in interest and other income, premium on flow-through shares of $841,352 and unrealized gain on marketable securities of $527,721.

(9) Per share amounts are rounded to the nearest cent, therefore aggregating quarterly amounts may not reconcile to year-to-date per share amounts.

Financial Highlights

Three months ended December 31, 2021, compared with three months ended December 31, 2020

The Company's net loss totaled $4,505,396 for the three months ended December 31, 2021, with basic and diluted loss per share of $0.03. This compares with a net loss of $3,750,053 with basic and diluted loss per share of $0.03 for the three months ended December 31, 2020. The Company had no revenue in both periods presented. The increase in net loss was principally due to:

- Exploration and evaluation expenditures decreased to $3,023,719 for the three months ended December 31, 2021, compared to $3,150,713 for the three months ended December 31, 2020. The decrease of $126,994 can be attributed to decreased exploration activity. Refer to the heading "Mineral Exploration Properties" below for a summary of the Company's exploration programs for Probe's property portfolio.

- Salaries and benefits increased in the three months ended December 31, 2021, to $1,090,021 compared with $351,371 for the same period in 2020, primarily due to increase in bonuses in the current period compared to the prior period.

- Share-based payments increased in the three months ended December 31, 2021, to $802,035 compared with $528,286 for the same period in 2020. The increase is due to the timing of expensing the estimated fair value of stock options and RSUs granted in prior and current periods. The Company expenses its stock options and RSUs in accordance with the vesting terms of the stock options and RSUs granted.

- Professional fees decreased in the three months ended December 31, 2021, to $67,343 compared with $77,584 for the same period in 2020, primarily due to lower corporate activity requiring external professional support services.

- Interest and other income decreased in the three months ended December 31, 2021, to $40,784 compared with $42,077 for the same period in 2020. Interest and other income was recorded during the period mainly for interest earned on cash balances.

- Unrealized gain on marketable securities increased in the three months ended December 31, 2021, to $527,721 compared with an unrealized loss of $859,309 for the same period in 2020. The increase in unrealized gain was due to the change in fair value of marketable securities.

- Realized gain on marketable securities decreased in the three months ended December 31, 2021, to $nil compared with a realized gain of $371,788 for the same period in 2020. The decrease in realized gain was due to the sale of marketable securities for gross proceeds of $nil compared with a gross proceeds of $371,788 for the same period in 2020.

- Premium on flow-through shares decreased in the three months ended December 31, 2021, to $841,352 compared to $1,237,099 for the same period in 2020. The Company has adopted a policy whereby proceeds from flow-through issuances are allocated between the offering of shares and the sale of tax benefits based on the difference between the quoted price of the existing shares and the amount the investor pays for the shares. A liability is recognized for this difference and is extinguished by crediting premium on flow-through shares on a pro-rata basis as the expenditures are made.

- All other expenses related to general working capital purposes.

Year ended December 31, 2021 compared with year ended December 31, 2020

The Company's net loss totaled $12,773,520 for the year ended December 31, 2021, with basic and diluted loss per share of $0.10. This compares with a net loss of $14,615,363 with basic and diluted loss per share of $0.12 for the year ended December 31, 2020. The Company had no revenue in both periods presented. The decrease in net loss was principally due to:

- Exploration and evaluation expenditures decreased to $11,299,791 for the year ended December 31, 2021, compared to $14,663,612 for the year ended December 31, 2020. The decrease of $3,363,821 can be attributed to decreased exploration activity. Refer to the heading "Mineral Exploration Properties" below for a summary of the Company's exploration programs for Probe's property portfolio.

- Share-based payments decreased in the year ended December 31, 2021, to $2,693,032 compared with $3,046,417 for the same period in 2020. The decrease is due to the timing of expensing the estimated fair value of stock options and RSUs granted in prior and current periods. The Company expenses its stock options and RSUs in accordance with the vesting terms of the stock options and RSUs granted.

- Professional fees decreased in the year ended December 31, 2021, to $226,793 compared with $443,825 for the same period in 2020, primarily due to lower corporate activity requiring external professional support services.

- Interest and other income decreased in the year ended December 31, 2021, to $180,999 compared with $318,957 for the same period in 2020. Interest and other income was recorded during the period mainly for interest earned on cash balances.

- Unrealized loss on marketable securities increased in the year ended December 31, 2021, to $1,696,736 compared with an unrealized loss of $145,731 for the same period in 2020. The increase in unrealized loss was due to the change in fair value of marketable securities.

- Realized gain on marketable securities increased in the year ended December 31, 2021, to $2,871,131 compared with a realized gain of $361,963 for the same period in 2020. The increase in realized gain was mainly due to the acquisition of QMX Gold Corporation ("**QMX**") by Eldorado Gold Corporation ("**Eldorado**") during the year ended December 31, 2021. Under the terms of the acquisition, each holder of QMX common shares was entitled to receive, for each QMX common share held immediately prior to the effective time, (i) $0.075 in cash and (ii) 0.01523 of a common share of Eldorado, for total consideration of $0.30 per QMX common share.

- Premium on flow-through shares decreased in the year ended December 31, 2021, to $3,954,139 compared to $5,203,861 for the same period in 2020. The Company has adopted a policy whereby proceeds from flow-through issuances are allocated between the offering of shares and the sale of tax benefits based on the difference between the quoted price of the existing shares and the amount the investor pays for the shares. A liability is recognized for this difference and is extinguished by crediting premium on flow-through shares on a pro-rata basis as the expenditures are made.

- All other expenses related to general working capital purposes.

The Company's total assets on December 31, 2021 were $34,876,135 (December 31, 2020 - $37,546,014) against total liabilities of $3,895,587 (December 31, 2020 - $6,088,178). The decrease in total assets of $2,669,879 resulted from cash used for lease payments of $166,416, cash used to complete statutory plan of arrangement between Eldorado and QMX in the amount of $3,264,551, exploration and evaluation expenditures and operating costs which was offset by net cash proceeds from sale of marketable securities of $4,415,530, cash proceeds of $6,984,575 from the exercise of warrants and cash proceeds of $4,005,000 from the exercise of stock options. The Company has sufficient current assets to pay its existing liabilities of $1,988,878 at December 31, 2021.

Liquidity and Capital Resources

From management's point of view, the Company's cash $28,866,655 on December 31, 2021 is adequate to cover current expenditures and exploration expenses for the coming year. The Company also has marketable securities of $3,846,656 at December 31, 2021 (December 31, 2020 – $3,823,240), which can be sold if the Company deems it prudent to do so.

The Company may, from time to time, when marketing and financing conditions are favourable, proceed with fundraising to fund exploration and property acquisition projects.

The activities of the Company, principally the acquisition and exploration of properties that have the potential to contain precious and base metals, are financed through the completion of equity transactions such as equity offerings and the exercise of stock options. There is no assurance that equity capital will be available to the Company in the future in the amounts or at the times desired or on terms that are acceptable to the Company, if at all. See "Risks and Uncertainties" below.

As of December 31, 2021, and to the date of this MD&A, the cash resources of the Company are held with certain Canadian charted banks.

At December 31, 2021, the Company had cash of $28,866,655. The decrease in cash of $1,872,403 from the December 31, 2020 cash balance of $30,739,058 was a result of cash outflows in operating activities of $12,938,395, cash inflows in investing activities of $1,116,538 and cash inflows in financing activities of $9,949,454. Operating activities were affected by adjustments of share-based payments of $2,693,032, depreciation of $162,814, accrued interest receivable of $14,433, realized loss on sale of marketable securities of $2,871,131, shares issued to acquire mineral property of $55,976, unrealized loss on marketable securities of $1,696,736, premium on flow-through shares of $3,954,139, accretion expense of $747,160, restoration fees of $98,244 and net change in non-cash working capital balances of $1,192,000 because of an increase in trade accounts receivable and other receivables of $27,231, a decrease in prepaid expenses of $38,771, a decrease in income tax receivable of $862,322 and an increase in amounts payable and other liabilities of $318,138.

Cash provided by investing activities was $1,116,538 for the year ended December 31, 2021. This related to proceeds from sale of marketable securities of $4,415,530 which was offset by cash used to complete statutory plan of arrangement between Eldorado and QMX of $3,264,551 and purchase of property and equipment of $34,441.

Cash provided by financing activities was $9,949,454 for the year ended December 31, 2021. Financing activities were affected by exercise of warrants for gross proceeds of $6,984,575 and exercise of stock options for gross proceeds of $4,005,000 which was offset by cash paid for RSUs of $873,705 and lease payments of $166,416.

Regardless of whether the Company discovers a significant precious or base metal deposit, its working capital of $31,631,700 at December 31, 2021 is anticipated to be adequate for it to continue operations for the twelve-month period ending December 31, 2022.

Mineral Exploration Properties

Property Description

Val-d'Or East properties

The Val-d'Or East Project is located approximately 26 kilometres east of the city of Val-d'Or and includes the Pascalis, Monique, Courvan Senore, Beaufor North, Lapaska, Bonnefond North, Aurbel East and Megiscane-Tavenier properties. The Val-d'Or East project also includes the Cadillac Break East joint venture property with O3 Mining (60% Probe/ 40% O3 Mining). The Val-d'Or East project is a district-scale land package comprising 436 square kilometers totaling more than 1,000 mining claims and represents one of the largest land holdings in the Val-d'Or mining camp.

Since 2016, the Company performed significant exploration activities at Val-d'Or East which include, 400km of drilling, 3D modelling, soil geochemistry, geophysical surveying, trenching, and many advanced technical studies such as metallurgical test work, rock mechanics, hydrology, environmental characterization.

In July 2021, Probe released an Updated Resource Estimate including all the deposits along the three main Gold Trends at VDE. The Pascalis Gold Trend resource estimate includes three deposits around the former L.C. Beliveau mineand also includes significant resources from the deposits along Monique Trend and the Courvan Trend.

The Updated NI 43-101-Compliant Mineral Resource Estimate stands at 1,800,900 ounces of gold in the Measured & Indicated category ("**M&I**") and 2,309,600 ounces of gold in the inferred category.

The September 2021 Preliminary Economic Assessment ("**PEA**") provided a base case assessment of developing the Val-d'Or East mineral resource by open pit and underground mining methods with gold recovery through a standard free milling flowsheet, incorporating gravity and leaching of the gravity tails, with 50% estimated to be recovered via gravity. The economic model supports an operation with low capital cost and high rate of return over a 12.5-year mine life, with significant average annual production of 207,000 ounces. On a pre-tax basis, the NPV5% is $991 million, the IRR is 47.2% and the payback period is 1.8 years. On an After-Tax basis, the NPV5% is $598 million, the IRR is 32.8% and the payback period is 2.7 years.

Detour Quebec properties

The Detour Quebec project is comprised of six (6) distinct claims block, totalling more than 1,434 claims covering an area of 777 square kilometres. The main property covers a continuous strike length of over 90 km along the Lower Detour Deformation Zone, which hosts the Zone 75N and 58N high-grade gold discoveries of Agnico (formerly Kirkland Lake Gold) to the west, as well as the potential southern extensions of structures hosting the high-grade Fenelon and Tobasco deposits of Wallbridge Mining to the east. During 2020 the Company embarked on an aggressive consolidation of the area surrounding its original claim holdings. On May 14, 2020, Probe announced the acquisition of a 100% interest in its original Detour Quebec property through the purchase of SOQUEM Inc's 25% interest for consideration of $425,000 worth of Probe shares. On July 9, 2020, the Company expanded its holdings through an option agreement with Midland on the La Peltrie property contiguous to the western end of Probe's Detour Quebec Project. Under the Agreement, Probe may earn up to a 65% interest in the La Peltrie gold property ("Property") by issuing aggregate cash and/or share payments totaling $400,000 and by making work expenditures of $3.5 million over four years. The Property is comprised of 435 claims representing 240 square kilometres. On July 30, 2020, the Company announced a JV Agreement with Midland on claims held along the eastern end of Probe's Detour Quebec project. Under the terms of the Agreement, Probe and Midland will each have a 50% participating interest in the JV Project. The JV Project includes 226 claims and covers a surface area of 125 square kilometres. This includes 65 claims covering 37 square kilometres from Probe's Detour Fenelon-Nantel property and 161 claims covering 88 square kilometres from Midland's Gaudet and Samson properties located east and southwest of Probe's Fenelon-Nantel property.

The Detour Gold Trend ("**DGT**") is a world class gold district which includes the Detour Lake deposit. DGT located approximately six kilometers south of the Detour Lake mine and about 10 kilometers west of Probe's Detour Quebec project. The 58N and 75N discoveries reported drill intersections grading up to 35 g / t Au over 23.2 metres, 11.8 g / t Au over 32.4 meters and 12.7 g / t Au over 28.0 meters.

Previous exploration over the Detour Quebec properties has included IP surveys, ground magnetic surveys, and helicopter-borne electromagnetic VTEM-MAG surveys, which highlighted promising areas close to historic gold anomalies along the Company's DGT properties. Compilation of previous work also delineated targets along the proven gold structures close to historical drilling intercepts and grab samples. Best targets include near-surface geophysical anomalies proximal to historical intercepts grading 3.7 g/t Au over 4.0 metres, 18.3 g/t Au over 1.1 metres, and 3.7 g/t Au over 3.1 metres (Source: MRN, GM 44767, GM 45980 and GM 57512). In 2020 the Company carried out the first regional exploration programs over the consolidated Detour claim holdings, comprising a property-wide surface geochemical program as well as a full high-resolution airborne magnetic survey. In summer 2021, a first phase drill program has been completed on the Gaudet JV property. Follow-up ground geophysical and sampling programs has been completed in 2021 to identify targets for upcoming drill programs.

Casa-Cameron properties

As of December 31, 2021, the Casa-Cameron project includes three (3) properties, 100%-owned by the Company covering 169 square kilometres. The properties are mainly located along a major gold trend between the Casa Berardi Gold Mine (proven and probable reserves of 1.5M ounces – Hecla Mining website) and the Bachelor Gold Mine (owned by Bonterra Resources). During 2020 a number of regionalscale surface geochemical and airborne geophysical programs were completed to identify areas for more detailed follow-up and delineation of drill targets.

Exploration and development updates

On January 5, 2021, Probe announced further drill results from its Monique property. Results from 12 holes demonstrated expansion of the I Zone, returning up to 7.3 g/t Au over 10.4 metres, 2.9 g/t Au over 17.9 metres, 2.4 g/t Au over 10 metres 1.5 g/t Au over 12.8 metres and 1.8 g/t over 11.9 metres, while expansion drilling at the M Zone returned 2.6 g/t Au over 5 metres and 2.3 g/t over 8 metres.

On February 1, 2021, the Company released additional drill results for its Courvan property. Results from the last 20 holes, including two extension holes, of the 2020 exploration and expansion drill program continued to show new high-grade gold discoveries along the Courvan Gold Trend near surface and at depth. Results from this drilling returned some of the best intervals to-date from the Courvan property, including 14.8 g/t Au over 7.5 metres in hole CO-146 and 7.5 g/t Au over 13 metres in hole CO-171.

On February 23, 2021, the Company announced positive results from geotechnical studies at the Val-d'Or East Project. The work included characterizing joint-scale structural trends, and rock mass quality, as well as bench design, and high wall stability assessments. The main objective of the program was to define catch bench capacities, and inter-ramp angles, to support ongoing mine design and economic evaluations. The positive results have identified opportunities to further increase slope angles for a number of the planned pits of the Val-d'Or East project.

On March 9, 2021, the Company announced further drill results from its Pascalis property. Results from 71 drill holes were successful in confirming continuity of gold zones and expanding near-surface gold mineralisation at both the New Beliveau and North deposits. Highlights from the drilling include: 11 g/t Au over 7.2 metres; 56.1 g/t Au over 1.1 metres; 8.2 g/t Au over 3 metres and 7.8 g/t Au over 3 metres.

On March 30, 2021, the Company provided an update on its Detour Quebec project. Regional geochemical and geophysical programs were successful in identifying more than 50 priority gold targets across the 90-kilometre strike length of the property. Ground geophysical follow-up programs had commenced in preparation for a summer drill program, which will form part of a 20,000 metre drill program to be completed on the Detour project over the next 12-18 months.

On April 20, 2021, the Company announced metallurgical results for its Val-d'Or East Project in Quebec. Results were very positive and showed excellent recoveries of 95% for most of the deposits, with gravity recoveries of between 50% and 72%. In addition, all deposits show similar metallurgical characteristics and can, therefore, be treated in a single processing facility. The mineralization appears to contain significant coarse gold and shows negligible amounts of deleterious elements, such as arsenic or antimony.

On May 4, 2021, the Company released results for the first four holes from its Monique 2021 drilling program. Results from shallow (<300-metre depth) drilling showed significant thicknesses of gold mineralization along the M and B Zones. Expansion drilling along the M Zone returned intersections of up to 5.3 g/t Au over 18.7 metres (downhole thickness); while infill drilling in the B Zone returned intervals of up to 4.8 g/t Au over 19.1 metres (downhole thickness).

On June 1, 2021, the Company announced its third updated resource estimate for the Val-d'Or East project in Quebec. The resource was increased by 16% to 1,773,500 ounces of gold in the MI category, and to 2,205,300 ounces of gold in the Inferred category. Gold ounces reported were constrained in both open pit an underground for this update (previously only constrained in open pit) and demonstrated a very robust project for potential development. Highlights included a more than doubling of the M&I resource from the previous estimate and a more than doubling of the Monique resource from the previous estimate.

On June 29, 2021, Probe announced that it was commencing drilling operations on its Detour Gaudet-Fenelon 50/50joint venture property with Midland Exploration Inc. The program will consist of approximately 4,500 metres of drilling to test targets generated by ground geophysical and geochemical program surveys conducted in 2020 and 2021. The property lies less than 5km to the south of Wallbridge Mining's Fenelon project, which hosts the high-grade Fenelon and Tabasco deposits.

On July 15, 2021, the Company filed the NI 43-101 Report for its updated resource announced on June 1, 2021. Upon further work, the resource and PEA consultants identified an additional 131,700 ounces of gold in the current gold resources. This resulted in an increase of the previously reported updated resource from 1,773,500 ounces of gold in the M&I category and 2,205,300 ounces of gold in the Inferred category to 1,800,900 ounces of gold in the M&I category and 2,309,600 in Inferred.The "Technical Report for the Val-d'Or East Project, Abitibi Greenstone Belt, Quebec, Canada" is available for review on both SEDAR (www.sedar.com) and the Company's website (www.probemetals.com).

On July 28, 2021, Probe announced that it had made its second option payment to Midland as partial consideration for the La Peltrie property option within the Company's Detour Quebec project. Pursuant to the Agreement, the Company issued 32,544 common shares to Midland for the second payment for a total value of $55,000 based on a 5-day weighted average price (VWAP) of $1.69 per share on the TSXV. In accordance with the applicable securities regulations and policies of the Exchange, the common shares issued to Midland pursuant to the transaction are subject to a statutory four month and a day hold period.

On September 7, 2021, the Company announced the results of its first PEA for its Val-d'Or East Project. The PEA provides a base case assessment of developing the Val-d'Or East mineral resource by open pit and underground mining, and gold recovery with a standard free milling flowsheet, incorporating gravity and leaching of the gravity tails, with 50% estimated to be recovered via gravity. The economic model supports an operation with a low capital cost, C$353 million, and a high internal rate of return ("**IRR**") of 32.8% over a 12.5-year mine life with significant average annual production of 207,000 ounces. The PEA was prepared by Ausenco Engineering Canada Inc. (**"Ausenco**") in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects (**"NI 43-101"**). The project demonstrates robust economics for the conceptual mining and milling plan, with an NPV (after-tax) of C$598 million and a projected payback of 2.7 years (after-tax). The PEA assumes a gold price of US$1,500. The project would produce an average of 207,000 ounces of gold per year totaling approximately 2.5 million ounces of gold over the current life of mine.

On September 14, 2021, Probe announced the addition of Ann Lamontagne to its technical team as the Director of Infrastructure, Environment and Sustainability. Ms. Lamontagne is a civil engineer with a PhD in Mining Environment from the department of Mines & Metallurgy Engineering at Laval University. She has worked for several mining consulting firms, including SNC-Lavalin and Golder, and founded her own company, Lamont Inc. in 2010. As a consultant she was involved in a broad spectrum of mining projects, predominantly as a project manager for geotechnical and environmental programs. Since 2007, she has been increasingly involved in the permitting processes for mining projects, interacting with proponents, legislators, governmental officials, legal, and stakeholders. Ms. Lamontagne will play a valuable role as the Company advances the Val-d'Or East project through development.

On September 28, 2021, the Company reported additional drill results from its Monique Project. Assays from twenty-one (21) holes totalling 8,996 metres from the 45,000-metre ongoing drilling program revealed significant, new, mineralized intersections along strike and at depth in the interpreted J, L and P gold structures around the former Monique open pit mine. Highlights included 21.8 g/t Au over 2.0 metres, 7.2 g/t Au over 4.1 metres and 6.5 g/t Au over 4.8 metres from the expansion drilling, while infill continued to confirm continuity with highlights of up to 1.3 g/t Au over 35.7 metres and 0.9g/t Au over 54.0m east of the Former Monique open pit.

On October 20, 2021, Probe announced that it had filed the full technical report for its PEA announced on September 7, 2021. The technical report, entitled "Val-d'Or East Project, NI 43-101 Technical Report & Preliminary Economic Analysis" and dated October 20, 2021 (effective date of September 7th, 2021) is available on SEDAR (www.sedar.com) under the Company's issuer profile.

On October 26, 2021, the Company announced additional results for its ongoing drill program at the Monique property. Results from seven (7) holes totaling 2,843 metres from the 45,000-metre ongoing drilling program revealed significant, new high-grade mineralized intersections along strike and at depth in the A, B, I and M gold zones southeast of the former Monique open pit mine. The drilling showed impressive grades, thicknesses and continuity of the mineralized zones and included one of its best intervals to date from the M-Zone, which returned 4.7 g/t Au over 26.0 metres (7.5 g/t Au over 26.0 metres – uncut), including 182.0 g/t Au over 0.9 metres. Results from the A, B and I zones also returned impressive results, including 3.8 g/t Au over 21.7 metres, 3.1 g/t Au over 19.5 metres, 1.4 g/t Au over 19.5 metres, 5.8 g/t Au over 3.3 metres and 5.8 g/t Au over 3.0 metres.

On January 11, 2022, Probe announced its exploration and development plans for 2022, including plans for over 160,000 metres of drilling with at least eight drills turning on the Val-d'Or East project through the winter. The Company also announced plans for advanced development work on the Val-d'Or project, including metallurgical, environmental and geotechnical programs.

On January 25, 2022, Probe announced further results from its 2021 drilling program on the Monique property. A total of 12 holes were released with highlights including 4.2g/t Au over 5.5 metres, 4.4g/t AU over 15.8 metres and 2.0g/t Au over 30 metres in expansion drilling.

On February 14, 2022, the Company announced it had entered into an agreement with Canaccord Genuity Corp. on behalf of a syndicate of underwriters pursuant to which they agreed to purchase, on a "bought deal" basis, 4,840,000 flow-through units of the Company at a price of $3.10 per Flow-Through Unit for gross proceeds of $15,004,000. On the same day the financing was upsized to $20,000,000.

On March 8, 2022, the Company announced the closing of the previously announced $20,770,000 financing.

On March 15, 2022, Probe announced further results from its 2021 drilling program on the Monique property showing further expansion along strike and depth at the various gold zones and confirming continuity and grades with the infill program. Highlights included impressive expansion intervals of 6.0g/t Au over 16 metres, 5.8g/t Au over 13.2 metres, 5.6g/t Au over 10 metres and 3.7g/t Au over 18 metres.

The following table summarizes the Company's current exploration programs on all of its properties, total estimated cost to complete each exploration program, and total expenditures incurred to date:

Table A – Mineral Exploration Properties

Property/Project	Activities Completed (Year Ended December 31, 2021)	Plans for the Project in 2022	(A) Estimated Cost to Complete	(B) Spent	Total (A+B)
Monique & Pascalis [(1)]	Geological interpretation, 3D Modelling, Ground geophysics, Drilling, , Technical studies	Geological Interpretation, 3D Modelling, Drilling, Metallurgical, geotechnical, environmental technical investigations and Studies	$26,645,000	$8,489,200 [(4)]	$35,134,200
Cadillac Break East [(1)]	Drilling,	Geological interpretation,, Drilling , Technical studies	$502,000	$373,100	$875,100
Gaudet-Fenelon (JV) [(3,5)]	Ground geophysics, Geochemistry, Drilling	Geological interpretation, Ground geophysics	$102,500	$847,300	$949,800
Detour Central [(3)]	Prospecting, Geochemistry, Ground geophysics	Prospecting, Geological interpretation , Ground geophysics, Drilling	$1,173,000	$426,500	$1,599,500
Megiscane-Tavernier [(1)]	Geochemistry	Geochemistry	$152,000	$17,200	$169,200
Florence [(2)]	Geochemistry	Geological interpretation, Ground	$545,000	$233,300	$778,300

		Geophysics, Drilling			
Tamarack West	Geochemistry	Geological interpretation	$10,000	$209,200	$219,200
Black Creek	Geochemistry	Geological interpretation	$12,000	$22,000	$34,000
Detour North (3)	Geochemistry	Ground Geophysics	$183,000	$93,800	$276,800
Sinclair-Bruneau (2)	None	Geological interpretation, Ground Geophysics, Drilling	$268,000	$21,600	$289,600
Victory	Interpretation	Geological interpretation	$3,000	$4,900	$7,900
Lapaska (1)	Geological Interpretation	Geological Interpretation	$1,000	$800	$1,800
Casagosic (2)	None	Drilling	$206,000	$nil	$206,000
West Timmins (JV)	None	None	$nil	$nil	$nil
Millen Mountain	None	None	$nil	$nil	$nil
Total exploration expenditures			**$29,802,500**	**$10,738,900**	**$40,541,400**

(1) Included in the Val-d'Or East Project;
(2) Included in the Casa-Cameron Project;
(3) Included in the Detour Quebec Project;
(4) Amount include restoration fees; and
(5) Exploration work funded at 50% by Midland

Table B – Mineral Exploration Properties under Option

Property/Project	Activities Completed (Nine Months September 30, 2021)	Plans for the Project in 2021	(A) Estimated Cost to Complete	(B) Spent	Total (A+B)
La Peltrie(3)	Ground geophysics, Geochemistry,	Geological interpretation, Geochemistry, Ground geophysics, Drilling	$2,104,000	$551,200	$2,655,200
Total exploration expenditures (Table B)			**$2,104,000**	**$551,200**	**$2,655,200**
Total exploration expenditures (Tables A and B)			**$31,906,500**	**$11,290,100**	**$43,196,600**

Technical Information

Marco Gagnon, P.Geo., is the "qualified person", within the meaning of NI-43,101, who has approved all scientific and technical information disclosed in this MD&A relating to *Table A – Mineral Exploration Properties* and *Table B – Mineral Exploration Properties under Option* under the heading "Liquidity and Capital Resources" and the section entitled "Outlook". Mr. Gagnon is the Executive Vice President and a director of the Company.

Capital Risk Management

The Company manages its capital with the following objectives:

- to ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities, and pursuit of accretive acquisitions; and
- to maximize shareholder return.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by management and the Board on an ongoing basis. The Company's ability to continue to carry out its planned exploration activities is uncertain and dependent upon securing additional financing.

The Company considers its capital to be equity which at December 31, 2021, totaled $30,980,548.

The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. The forecast is updated based on activities related to its mineral properties. The Company's capital management objectives, policies and processes have remained unchanged during the year ended December 31, 2021. The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than the flow-through contractual obligations and Policy 2.5 of the 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 is compliant with Policy 2.5.

Financial Risk Management

Financial risk

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate, foreign currency risk and price risk).

Risk management is carried out by the Company's management team with guidance from the Audit Committee and Board. The Board also provides regular guidance for overall risk management.

(i) Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. Trade accounts receivable and other receivables consist mainly of taxes recoverable. The Company has no significant concentration of credit risk arising from operations. The expected credit loss on the remaining receivables is not material.

(ii) Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2021, the Company had cash of $28,866,655, to settle current liabilities of $1,988,878. All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

(iii) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates and quoted prices.

(a) Interest rate risk

The Company has $28,866,655 cash balances and no interest-bearing debt and was not exposed to interest rate risk. The Company's current policy is to invest excess cash in high yield savings accounts and guaranteed investment certificates issued by a Canadian chartered bank with which it keeps its bank accounts. The Company periodically monitors the investments it makes and is satisfied with the creditworthiness of its Canadian chartered bank. As a result, the Company's exposure to interest rate risk is minimal.

(b) Foreign currency risk

The Company does not have any significant assets in currency other than the functional currency of the Company, nor has significant foreign currency denominated liabilities, therefore any changes in foreign exchange rates will not give rise to significant changes to the net loss.

(c) Price risk

The Company is exposed to price risk with respect to equity prices and commodity prices. Equity price risk is defined as the potential adverse impact on the Company's loss due to movements in individual equity prices or general movements in the level of stock market. Commodity price risk is defined as the potential adverse impact and economic value due to commodity price movements and volatilities.

Sensitivity analysis

The Company's marketable securities are denominated in Canadian dollars and are subject to fair value fluctuations. As at December 31, 2021, if the fair value of the Company's marketable securities had increased/decreased by 20% with all other variables held constant, profit and loss for the year ended December 31, 2021, would have been approximately $769,000 lower/higher. Similarly, as at December 31, 2021, the Company's reported shareholders' equity would have been approximately $769,000 higher/lower as a result of a 20% increase/decrease in marketable securities.

Related Party Transactions

(a) Related parties include the Board and management, close family and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

The Company entered into the following transactions with related parties:

Names	Year Ended December 31, 2021 ($)	Year Ended December 31, 2020 ($)
Peterson McVicar LLP ("**Peterson**") (1)	19,290	43,534
Marrelli Support Services Inc. ("**Marrelli Support**") (2)	76,148	81,638
DSA Corporate Services Inc. ("**DSA**") (2)	13,471	13,085
DSA Filing Services Limited ("**DSA Filing**") (2)	9,577	13,057
Total	**118,486**	**151,314**

(1) Dennis H. Peterson, a director of the Company, controls Peterson which provided legal services to the

Company. The amounts charged by Peterson are based on what Peterson usually charges its clients. The Company expects to continue to use Peterson for an indefinite period. As at December 31, 2021, Peterson was owed $1,020 (December 31, 2020 - $24,405) and this amount was included in amounts payable and other liabilities.

(2) During the year ended December 31, 2021, the Company paid professional fees of $76,148 (year ended December 31, 2020 - $81,638) to Marrelli Support, an organization of which Carmelo Marrelli is Managing Director. Mr. Marrelli is the former Chief Financial Officer ("**CFO**") of the Company. These services were incurred in the normal course of operations for general accounting and financial reporting matters. Marrelli Support also provides bookkeeping services to the Company. As at December 31, 2021, Marrelli Support was owed $11,390 (December 31, 2020 - $11,394) and this amount was included in amounts payable and other liabilities.

During the year ended December 31, 2021, the Company paid professional fees of $13,471 (year ended December 31, 2020 - $13,085) to DSA Corp, an organization of which Mr. Marrelli controls. Mr. Marrelli is also the corporate secretary and sole director of DSA Corp. These services were incurred in the normal course of operations for corporate secretarial matters. All services were made on terms equivalent to those that prevail with arm's length transactions. As at December 31, 2021, DSA Corp was owed $1,130 (December 31, 2020 - $1,215) and this amount was included in amounts payable and other liabilities.

During the year ended December 31, 2021, the Company paid professional fees of $9,577 (year ended December 31, 2020 - $13,057) to DSA Filing, an organization of which Mr. Marrelli controls. Mr. Marrelli is also the corporate secretary and sole director of DSA Filing. These services were incurred in the normal course of operations for corporate secretarial matters. All services were made on terms equivalent to those that prevail with arm's length transactions. As at December 31, 2021, DSA Filing was owed $202 (December 31, 2020 - $3,041) and this amount was included in amounts payable and other liabilities.

The above noted transactions are in the normal course of business and approved by the Board of Directors in strict adherence to conflict of interest laws and regulations.

(b) At December 31, 2021, Eldorado owned 15,041,746 common shares of Probe, representing approximately 10.9% of the issued and outstanding common shares of the Company. The shares were acquired pursuant to a private transaction.

The remaining 89.1% of the shares are widely held, which includes various holdings which are owned by directors of the Company. These holdings can change at any time at the discretion of the owner.

Eldorado does not have different voting rights than other holders of the Company's common shares. The Company is not aware of any arrangements that may at a subsequent date result in a change in control of the Company. To the knowledge of the Company, other than Eldorado, who owns or controls, directly or indirectly, approximately 10.9% of the issued and outstanding shares at December 31, 2021, the Company is not directly or indirectly owned or controlled by another corporation, by any government or by any natural or legal person severally or jointly.

(c) Remuneration of directors and key management personnel, other than consulting fees, of the Company was as follows:

Year Ended December 31, 2021	**Salaries and Benefits** (1)(2) **($)**	**Share-based Compensation ($)**	**Total ($)**
David Palmer, Chief Executive Officer ("**CEO**"), Director	717,000	514,119	1,231,119
Yves Dessureault, Chief Operating Officer	467,000	284,014	751,014
Patrick Langlois, Vice President, Corporate Development	352,000	240,008	592,008
Marco Gagnon, Executive Vice President	358,000	269,035	627,035
Jamie Sokalsky, Chairman of the Board	130,000	244,771	374,771
Gordon McCreary, Director	65,000	112,526	177,526
Basil Haymann, Director	50,000	112,526	162,526
Jamie Horvat, Director	55,000	112,526	167,526
Dennis Peterson, Corporate Secretary, Director	50,000	112,526	162,526
Aleksandra Bukacheva, Director	28,356	72,712	101,068
Carmelo Marrelli, CFO	nil	19,718	19,718
Total	**2,272,356**	**2,094,481**	**4,366,837**

Year Ended December 3, 2020	**Salaries and Benefits** (1)(2) **($)**	**Share-based Compensation ($)**	**Total ($)**
David Palmer, CEO, Director	519,750	619,496	1,139,246
Yves Dessureault, Chief Operating Officer	352,500	363,176	715,676
Patrick Langlois, Vice President, Corporate Development	283,200	286,366	569,566
Marco Gagnon, Executive Vice President	288,000	303,578	591,578
Jamie Sokalsky, Chairman of the Board	135,000	375,658	510,658
Gordon McCreary, Director	65,000	167,853	232,853
Basil Haymann, Director	50,000	167,853	217,853
Jamie Horvat, Director	42,628	157,794	200,422
Dennis Peterson, Corporate Secretary, Director	50,000	167,853	217,853
Carmelo Marrelli, CFO	nil	39,448	39,448
Total	**1,786,078**	**2,649,075**	**4,435,153**

(1) For year ended December 31, 2021, $1,743,356 of these costs (year ended December 31, 2020 - $1,145,578) are included in general and administrative expenses and $529,000 (year ended December 31, 2020 - $640,500) are included in exploration and evaluation expenditures.

(2) The directors do not have employment or service contracts with the Company. Directors are entitled to director fees, stock options and RSUs for their services. As at December 31, 2021, officers and directors were owed $809,709 (December 31, 2020 - $421,006) and this amount was included in amounts payable and other liabilities.

Share Capital

As at the date of this MD&A, the Company had a total of 145,306,181 common shares issued and outstanding. An additional 18,298,800 common shares are subject to issuance pursuant to the following: 9,721,800 stock options, 5,550,000 warrants and 3,027,000 RSUs. Each stock option will be exercisable to acquire one common share at a price of $0.26 to $1.96 per common share with an expiry date of June 15, 2022 to March 22, 2027. Each warrant will be exercisable to acquire one common share at a price of $2.10 to $2.40 per common share with an expiry date of November 25, 2022 to March 8, 2024.

Disclosure of Internal Controls

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence to ensure that the financial statements (i) 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, and (ii) fairly present in all material respects the financial condition, results of operations and cash flow of the Company, in each case as of the date of and for the periods presented by such statements.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 - Certification of Disclosure in Issuers' Annual and Interim Filings ("**NI 52-109**"), the Venture Issuer Basic Certificate filed by the CEO and CFO of the Company 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 such terms are defined in NI 52-109. In particular, the certifying officers filing such 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 Company in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

(ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in such certificate. Investors should be aware that inherent limitations on the ability of the Company's certifying officers of a venture issuer to design and implement, on a cost effective basis, DC&P and ICFR may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports required to be provided under securities legislation.

Risks and Uncertainties

The exploration, development and mining of mineral resources are highly speculative in nature and are subject to significant risks. In addition to the usual risks associated with an investment in a business at an early stage of development, management and the directors of the Company believe that, in particular, the following risk factors should be considered by prospective investors. It should be noted that this list is not exhaustive and that other risk factors may apply. An investment in the Company may not be suitable for all investors.

Development Stage Company and Exploration Risks

The Company is a junior resource company focused primarily on the acquisition, exploration and development of mineral properties located in Canada. The Company's properties have no established mineral reserves. There is no assurance that any of the Company's projects can be mined profitably. Accordingly, it is not assured that the Company will realize any profits in the short to medium term, if at all. Any profitability in the future from the business of the Company will be dependent upon developing and commercially mining an economic deposit of minerals, which in itself is subject to numerous risk factors. The exploration and development of mineral deposits involves a high degree of financial risk over a significant period of time that even a combination of management's careful evaluation, experience and knowledge may not eliminate. While discovery of ore-bearing structures may result in substantial rewards, few properties that are explored are ultimately developed into producing mines. Major expenses may be required to establish reserves by drilling and to construct mining and processing facilities at a particular site. It is impossible to ensure that the current exploration and development programs of the Company will result in profitable commercial mining operations. The profitability of the Company's operations will be, in part, directly related to the cost and success of its exploration and development programs, which may be affected by a number of factors. Substantial expenditures are required to establish mineral reserves that are sufficient to support commercial mining operations and to construct, complete and install mining and processing facilities on those properties that are actually developed.

Reliability of Mineral Resource Estimates

Mineral resources are estimates based on sampling of the mineralized material in a deposit. Such estimates may not be found to be accurate. Mineral resources which are not mineral reserves do not have demonstrated economic viability. The estimation of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues. Inferred resources, including those discussed in this MD&A, are ones for which there has been insufficient exploration to define an indicated or measured mineral resource and it is uncertain if further exploration will result in upgrading them to an indicated or measured mineral resource category.

Unless otherwise indicated, mineralization figures presented in this MD&A and in any NI 43-101 technical reports filed by the Company are based upon estimates made by geologists and the Company's personnel. Although the mineral resource figures set out in this MD&A and in such technical reports have been carefully prepared and reviewed or verified by qualified persons, these amounts are estimates only and no assurance can be given that an identified mineral resource will ever become a mineral reserve or in any way qualify as a commercially mineable (or viable) ore body which can be legally and economically exploited. These estimates are imprecise and depend upon geological interpretation and statistical inferences drawn from drilling and sampling analysis, all of which may prove to be unreliable. Furthermore, there are risks related to the reliability of analytical results and unforeseen possible variations in grade or other considerations.

Commodity Markets

The price of the Company's securities, its financial results, and its access to the capital required to finance its exploration activities may in the future be adversely affected by declines in the price of precious and base metals. Precious metal prices fluctuate widely and are affected by numerous factors beyond the Company's control such as the sale or purchase of precious metals by various dealers, central banks and financial institutions, interest rates, exchange rates, inflation or deflation, currency exchange fluctuation, global and regional supply and demand, production and consumption patterns, speculative activities, increased production due to improved mining and production methods, government regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals, environmental protection, and international political and economic trends, conditions and events. If these or other factors adversely affect the price of the precious and base metals that are the subject of the Company's exploration efforts, the market price of the Company's securities may decline.

Market Fluctuation and Commercial Quantities

The market for minerals is influenced by many factors beyond the Company's control, including without limitation the supply and demand for minerals. In addition, the metals industry in general is intensely competitive and there is no assurance that, even if apparently commercial quantities and qualities of metals (such as chromite) are discovered, a market will exist for their profitable sale. Commercial viability of precious and base metals and other mineral deposits may be affected by other factors that are beyond the Company's control, including particular attributes of the deposit such as its size, quantity and quality, the cost of mining and processing, proximity to infrastructure, the availability of transportation and sources of energy, financing, government legislation and regulations including those relating to prices, taxes, royalties, land tenure, land use, import and export restrictions, exchange controls, restrictions on production, and environmental protection. It is impossible to assess with certainty the impact of various factors that may affect commercial viability such that any adverse combination of such factors may result in the Company not receiving an adequate return on invested capital or having its mineral projects be rendered uneconomic.

Option and Joint Venture Agreements

The Company has and may continue to enter into option agreements and/or joint ventures as a means of acquiring property interests. Any failure of any partner to meet its obligations to the Company or other third parties, or any disputes with respect to third parties' respective rights and obligations could have a material adverse effect on the Company's rights under such agreements. Furthermore, the Company may be unable to exert direct influence over strategic decisions made in respect of properties that are subject to the terms of these agreements, and the result may be a materially adverse impact on the strategic value of the underlying mineral claims.

Property Titles

The principal property interests that the Company owns, controls or has the right to acquire by option or agreement come variously under the *Mining Act* (Ontario), the *Registry Act* (Ontario) or the *Land Titles Act* (Ontario), each of which has its own registration and management systems. Although the Company has either obtained title opinions or reviewed title for the material properties that it owns, controls or has the right to acquire by option or agreement, there is no guarantee that title to such mineral property interests will not be challenged or impugned. The Company's mineral property interests may be subject to prior unregistered agreements or transfers, and title may be affected by undetected defects. The Company may also experience challenges in effecting the transfer of title to certain of its mineral properties. There may be valid challenges to the title of the mineral property interests which, if successful, could impair development and/or operations.

Financing Risks

Although the Company currently has significant cash, the Company has no source of operating cash flow and no assurance that additional funding will be available to it for further exploration and development of its projects. Further exploration and development of the Company's properties may be dependent upon its ability to obtain financing through equity or debt, and although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that it will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and development of the Company's projects.

Mining Risks and Insurance

The Company's business is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, catastrophic equipment failures, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to the Company's properties or the properties of others, delays in mining, monetary losses and possible legal liability.

Although the Company maintains insurance to protect against certain risks in such amounts as it considers reasonable, its insurance will not cover all the potential risks associated with a mining company's operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. The Company might also become subject to liability for pollution or other hazards that may not be insured against or that it may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Government Regulations, Permitting and Taxation

The Company's exploration operations are subject to government legislation, policies and controls relating to prospecting, development, production, environmental protection, mining taxes and labour standards. In order for the Company to carry out its activities, its various licences and permits must be obtained and kept current. There is no guarantee that the Company's licences and permits will be granted, or that once granted will be extended. In addition, the terms and conditions of such licences or permits could be changed and there can be no assurances that any application to renew any existing licences will be approved. There can be no assurance that all permits that the Company requires will be obtainable on reasonable terms, or at all. Delays or a failure to obtain such permits, or a failure to comply with the terms of any such permits that the Company has obtained, could have a material adverse impact on the Company. The Company may be required to contribute to the cost of providing the required infrastructure to facilitate the development of its properties. The Company will also have to obtain and comply with permits and licences that may contain specific conditions concerning operating procedures, water use, waste disposal, spills, environmental studies, abandonment and restoration plans and financial assurances. There can be no assurance that the Company will be able to comply with any such conditions. Future taxation of mining operators cannot be predicted with certainty so planning must be undertaken using present conditions and best estimates of any potential future changes.

Health, Safety and Community Relations

The Company's operations are subject to various health and safety laws and regulations that impose various duties on the Company's operations relating to, among other things, worker safety and obligations in respect of surrounding communities. These laws and regulations also grant the relevant authorities broad powers to, among other things, close unsafe operations and order corrective action relating to health and safety matters. The costs associated with the compliance with such health and safety laws and regulations may be substantial and any amendments to such laws and regulations, or more stringent implementation thereof, could cause additional expenditure or impose restrictions on, or suspensions of, the Company's operations. The Company has made, and expects to make in the future, significant expenditure to comply with the extensive laws and regulations governing the protection of the environment, waste disposal, worker safety, mine development and protection of endangered and other special status species, and, to the extent reasonably practicable, to create social and economic benefit in the surrounding communities near the Company's mineral properties.

Environmental Protection

The mining and mineral processing industries are subject to extensive governmental regulations for the protection of the environment, including regulations relating to air and water quality, mine reclamation, solid and hazardous waste handling and disposal and the promotion of occupational health and safety, which may adversely affect the Company or require it to expend significant funds. There is also a risk that environmental and other laws and regulations may become more onerous, making it more costly for the Company to remain in compliance with such laws and regulations.

Reliance on Key Personnel

The Company's development to date has largely depended and in the future will continue to depend on the efforts of key management and other key personnel. Loss of any of these people, particularly to competitors, could have a material adverse effect on the Company's business. Further, with respect to future development of the Company's projects, it may become necessary to attract both international and local personnel for such development. The marketplace for key skilled personnel is becoming more competitive, which means the cost of hiring, training and retaining such personnel may increase. Factors outside the Company's control, including competition for human capital and the high level of technical expertise and experience required to execute this development, will affect the Company's ability to employ the specific personnel required. The failure to retain or attract a sufficient number of key skilled personnel could have a material adverse effect on the Company's business, results of operations and financial condition. The Company has not taken out and does not intend to take out 'key person' insurance in respect of any directors, officers or other employees.

Competitive Industry Environment

The mining industry is highly competitive, both domestically and internationally. The Company's ability to acquire properties and develop mineral reserves in the future will depend not only on its ability to develop its present properties, but also on its ability to select and acquire suitable producing properties or prospects for mineral exploration, of which there is a limited supply. The Company may be at a competitive disadvantage in acquiring additional mining properties because it must compete with other individuals and companies, many of which have greater financial resources, operational experience and technical capabilities than the Company. The Company may also encounter competition from other mining companies in its efforts to hire experienced mining professionals. Competition could adversely affect the Company's ability to attract necessary funding or acquire suitable producing properties or prospects for mineral exploration in the future. Competition for services and equipment could result in delays if such services or equipment cannot be obtained in a timely manner due to inadequate availability, and could also cause scheduling difficulties and cost increases due to the need to coordinate the availability of services or equipment, any of which could materially increase project development, exploration or construction costs and result in project delays.

Global Financial Conditions

Recent global financial conditions have been characterized by increased volatility and access to public financing, particularly for junior mineral exploration companies, has been negatively impacted. These conditions may affect the Company's ability to obtain equity or debt financing in the future on terms favourable to the Company or at all. If such conditions continue, the Company's operations could be negatively impacted.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, power sources and water supply are important determinants affecting capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations, financial condition and results of operations.

Public Company Obligations

The Company's business is subject to evolving corporate governance and public disclosure regulations that have increased both the Company's compliance costs and the risk of non-compliance, which could have a material adverse impact on the Company's share price.

The Company is subject to changing rules and regulations promulgated by a number of governmental and self-regulated organizations, including the Canadian Securities Administrators, the TSXV, and the International Accounting Standards Board. These rules and regulations continue to evolve in scope and complexity creating many new requirements. The Company's efforts to comply with rules and obligations could result in increased general and administration expenses and a diversion of management time and attention from revenue-generating activities.

Covid-19 Risks

The worldwide emergency measures taken to combat the COVID-19 pandemic may continue, could be expanded, and could also be reintroduced in the future following relaxation. As governments implement monetary and fiscal policy changes aimed to help stabilize economies and capital markets, we cannot predict legal and regulatory responses to concerns about the COVID-19 pandemic and related public health issues and how these responses may impact our business. The COVID-19 pandemic, actions taken globally in response to it, and the ensuing economic downturn has caused significant disruption to business activities and economies. The depth, breadth and duration of these disruptions remain highly uncertain at this time. Furthermore, governments are developing frameworks for the staged resumption of business activities. As a result, it is difficult to predict how significant the impact of the COVID-19 pandemic, including any responses to it, will be on the global economy and our business. We have outlined these risks in more detail below.

Strategic & Operational Risks

The ongoing COVID-19 pandemic could adversely impact our financial condition in future periods as a result of reduced business opportunities via acquisitions and dispositions of exploration and development properties. The uncertainty around the expected duration of the pandemic and the measures put in place by governments to respond to it could further depress business activity and financial markets. Our strategic initiatives to advance our business may be delayed or cancelled as a result.

To date, our operations have remained stable under the pandemic but there can be no assurance that our ability to continue to operate our business will not be adversely impacted, in particular to the extent that aspects of our operations which rely on services provided by third parties fail to operate as expected. The successful execution of business continuity strategies by third parties is outside our control. If one or more of the third parties to whom we outsource critical business activities fails to perform as a result of the impacts from the spread of COVID-19, it could have a material adverse effect on our business and operations.

Liquidity risk and capital management

Extreme market volatility and stressed conditions resulting from COVID-19 and the measures implemented to control its spread could limit our access to capital markets and our ability to generate funds to meet out capital requirements. Sustained global economic uncertainty could result in more costly or limited access to funding sources. In addition, while we currently have sources of liquidity, such as cash balances, there can be no assurance that these sources will provide us with sufficient liquidity on commercially reasonable terms in the future. Extreme market volatility may leave us unable to react in a manner consistent with our historical practices.

Market Risk

The pandemic and resulting economic downturn have created significant volatility and declines in financial and commodity markets. Central banks have announced emergency interest rate cuts, while governments are implementing unprecedented fiscal stimulus packages to support economic stability. The pandemic could result in a global recessionary environment with continued market volatility, which may continue to impact our financial condition.

Cautionary Note Regarding Forward-Looking Statements

This MD&A contains certain "forward-looking information" as defined in applicable securities laws (collectively referred to herein as "**forward-looking statements**"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "budgeted", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statements. The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

Forward-looking statements	Assumptions	Risk factors
Regardless of whether the Company discovers a significant precious or base metal deposit, its working capital of $31,631,700 at December 31, 2021 is anticipated to be adequate for it to continue operations for the twelve-month period ending December 31, 2022	The operating and exploration activities of the Company for the twelve-month period ending December 31, 2022, and the costs associated therewith, will be consistent with the Company's current expectations; and equity markets, exchange and interest rates and other applicable economic conditions will be favourable to the Company	Unforeseen costs to the Company will arise; ongoing uncertainties relating to the COVID-19 pandemic; any particular operating cost increase or decrease from the date of the estimation; changes in operating and exploration activities; changes in economic conditions; timing of expenditures
The Company's properties may contain economic deposits of minerals	The actual results of the Company's exploration and development activities will be favourable; operating, exploration and development costs will not exceed the Company's expectations; all requisite regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to the Company, and applicable political and economic conditions are favourable to the Company; the price of applicable commodities and applicable interest and exchange rates will be favourable to the Company; no title disputes exist or will arise with respect to the Company's properties; and the Company has or will obtain adequate property rights to support its exploration and development activities	Commodity price volatility; ongoing uncertainties relating to the COVID-19 pandemic; uncertainties involved in interpreting geological data and confirming title to acquired properties; inability to secure necessary property rights; the possibility that future exploration results will not be consistent with the Company's expectations; increases in costs; environmental compliance and changes in environmental and other applicable legislation and regulation; interest rate and exchange rate fluctuations; changes in economic and political conditions
The Company's anticipated business plans, including costs and timing for future exploration on its property interests and acquisitions of additional mineral resource properties or interests therein	The exploration activities of the Company and the costs associated therewith, will be consistent with the Company's current expectations; and equity markets, exchange and interest rates and other applicable	Commodity price volatility; ongoing uncertainties relating to the COVID-19 pandemic; changes in the condition of debt and equity markets; timing and availability of external financing on

Forward-looking statements	Assumptions	Risk factors
	economic conditions will be favourable to the Company; financing will be available for the Company's exploration and development activities on favourable terms; the Company will be able to retain and attract skilled staff; all applicable regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to the Company; the Company will not be adversely affected by market competition; the price of applicable commodities will be favourable to the Company; no title disputes exist or will arise with respect to the Company's properties; the Company has or will obtain adequate property rights to support its exploration and development activities; and the Company will be able to successfully identify and negotiate new acquisition opportunities	acceptable terms may not be as anticipated; the uncertainties involved in interpreting geological data and confirming title to acquired properties; inability to secure necessary property rights; the possibility that future exploration results will not be consistent with the Company's expectations; increases in costs; environmental compliance and changes in environmental and other applicable legislation and regulation; interest rate and exchange rate fluctuations; changes in economic and political conditions; the Company may be unable to retain and attract skilled staff; receipt of applicable permits is subject to governmental and/or regulatory approvals; the Company does not have control over the actions of its joint venture partners and/or other counterparties
Management's outlook regarding future trends and exploration programs	Financing will be available for the Company's exploration and operating activities; the price of applicable commodities will be favourable to the Company; the actual results of the Company's exploration and development activities will be favourable; management is aware of all applicable environmental obligations	Commodity price volatility; ongoing uncertainties relating to the COVID-19 pandemic; changes in the condition of debt and equity markets; interest rate and exchange rate fluctuations; changes in economic and political conditions; the possibility that future exploration results will not be consistent with the Company's expectations; changes in environmental and other applicable legislation and regulation

Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company's ability to predict or control. Please also make reference to those risk factors identified or otherwise indirectly referenced in the "Risks and Uncertainties" section above. Readers are cautioned that the above chart does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking statements contained in this MD&A, and that the assumptions underlying such statements may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary note. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

Subsequent Events

On February 14, 2022, the Company announced a bought deal private placement led by Canaccord Genuity Corp. On March 8, 2022, the Company closed its previously announced bought deal private placement for aggregate gross proceeds of $20,770,000.

On March 23, 2022, the Company appointed Patrick Langlois as CFO & Vice President Corporate Development. Mr. Langlois was the Company's Vice President Corporate Development since 2015 and has assumed the role of CFO in order to assist Probe with its growth and evolution from explorer to explorer and developer.

On March 23, 2022, the Company announced that it granted options to acquire a total of 1,475,000 common shares of the Company to officers and directors at the exercise price of $1.87 per share for a period of five years, subject to vesting requirements. Additionally, the Company granted 710,000 RSUs to officers and directors of the Company under the terms of the Company RSU Plan. Each RSU entitles the holder to acquire one common share of the Company by delivering an exercise notice in accordance with the RSU Plan.

Additional Disclosure for Venture Issuers

General and Administrative Expenses

Detail	Year Ended December 31, 2021 ($)	Year Ended December 31, 2020 ($)
Share-based payments	2,693,032	3,046,417
Salaries and benefits	2,082,181	930,505
Director fees	378,356	342,628
Professional fees	226,793	443,825
Administrative costs	184,110	243,217
Travel and promotion costs	162,089	229,269
Depreciation	162,814	144,828
Shareholder information	143,475	161,201
Occupancy costs	3,252	17,165
Total	**6,036,102**	**5,559,055**

Exploration and Evaluation Expenditures

Val-d'Or East Project

Expenditures	Year Ended December 31, 2021 ($)	Year Ended December 31, 2020 ($)
Advanced exploration	310,281	314,046
Drilling	6,213,965	7,473,952
Environment	83,409	65,226
General field expenses	58,844	106,308
Geochemical	63,721	254,241
Geology	612,808	636,704
Geophysics	332,848	1,272,167
Metallurgical testwork	119,185	383,358
Modelling	96,232	nil
Option payment and staking claims	59,355	805,150
Preliminary economic assessment	799,037	50,585
Restoration fees	98,246	869,465
Social and community	38,076	2,770
Total	**8,886,007**	**12,233,972**

Detour Project

Expenditures	**Year Ended December 31, 2021 ($)**	**Year Ended December 31, 2020 ($)**
Drilling	1,070,960	7,015
Geochemical	388,509	523,288
Geology	39,801	53,650
Geophysics	1,129,819	672,959
Option payment and staking claims	79,604	797,661
Research and development	nil	1,161
Operator of exploration project	(789,932)	(1,052)
Total	**1,918,761**	**2,054,682**

Casa-Cameron Project

Expenditures	**Year Ended December 31, 2021 ($)**	**Year Ended December 31, 2020 ($)**
Drilling	nil	2,789
Geochemical	52,588	162,381
Geology	13,299	28,041
Geophysics	176,971	163,170
Option payment and staking claims	11,953	6,056
Total	**254,811**	**362,437**

Black Creek Property

Expenditures	**Year Ended December 31, 2021 ($)**	**Year Ended December 31, 2020 ($)**
Geochemical	16,619	2,561
Geology	4,670	2,387
Other	754	754
Total	**22,043**	**5,702**

Tamarack-McFauld's Lake Property

Expenditures	**Year Ended December 31, 2021 ($)**	**Year Ended December 31, 2020 ($)**
General field expenses	nil	182
Geochemical	204,653	nil
Geology	3,616	3,139
Geophysics	910	nil
Total	**209,179**	**3,321**

Victory Property

Expenditures	**Year Ended December 31, 2021 ($)**	**Year Ended December 31, 2020 ($)**
Geology	4,486	1,862
Geochemical	405	nil
Total	**4,891**	**1,862**

Millen Mountain Property

Expenditures	Year Ended December 31, 2021 ($)	Year Ended December 31, 2020 ($)
Geology	nil	200
Total	**nil**	**200**

Project Generation

Expenditures	Year Ended December 31, 2021 ($)	Year Ended December 31, 2020 ($)
Consulting	3,624	1,436
Staking claims	475	nil
Total	**4,099**	**1,436**

FINANCIAL STATEMENTS OF
PROBE METALS INC.
FOR THE YEARS ENDED
DECEMBER 31, 2021 AND 2020
(EXPRESSED IN CANADIAN DOLLARS)

Independent Auditor’s Report

To the Shareholders of Probe Metals Inc.:

Opinion

We have audited the financial statements of Probe Metals Inc. (the "Company"), which comprise the statements of financial position as at December 31, 2021 and December 31, 2020, and the statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2021 and December 31, 2020, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises Management’s Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audits of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audits or otherwise appears to be materially misstated. We obtained Management’s Discussion and Analysis prior to the date of this auditor’s report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company’s financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Brock Stroud.

MNP LLP

Toronto, Ontario
April 7, 2022

Chartered Professional Accountants
Licensed Public Accountants

MNP

Probe Metals Inc.
Statements of Financial Position
(Expressed in Canadian Dollars)

As at December 31,	2021	2020
ASSETS		
Current assets		
Cash	**$ 28,866,655**	$ 30,739,058
Trade accounts receivable and other receivables (note 5)	**840,786**	827,983
Marketable securities (note 6)	**3,846,656**	3,823,240
Prepaid expenses	**66,481**	105,252
Income tax receivable	**-**	862,322
Total current assets	**33,620,578**	36,357,855
Non-current assets		
Reclamation bonds (note 7)	**413,050**	413,050
Property and equipment (note 8)	**529,491**	588,870
Rights-of-use assets (note 9)	**313,016**	186,239
Total non-current assets	**1,255,557**	1,188,159
Total assets	**$ 34,876,135**	$ 37,546,014
LIABILITIES AND EQUITY		
Current liabilities		
Amounts payable and other liabilities (notes 10 and 20)	**$ 1,299,189**	$ 981,051
Current portion of lease liability (note 11)	**121,040**	60,196
RSU liability (note 16)	**568,649**	-
Flow-through share liability (note 12)	**-**	3,954,139
Total current liabilities	**1,988,878**	4,995,386
Non-current liabilities		
Lease liability (note 11)	**276,058**	203,553
Restoration liabilities (note 7)	**1,630,651**	889,239
Total non-current liabilities	**1,906,709**	1,092,792
Total liabilities	**3,895,587**	6,088,178
Equity		
Share capital (note 13)	**122,578,430**	106,772,946
Warrants (note 14)	**1,074,738**	2,281,758
Contributed surplus (notes 15 and 16)	**6,942,813**	9,222,400
Accumulated deficit	**(99,615,433)**	(86,819,268)
Total equity	**30,980,548**	31,457,836
Total liabilities and equity	**$ 34,876,135**	$ 37,546,014

The accompanying notes are an integral part of these financial statements.

Nature of operations (note 1)
Subsequent events (note 23)

Approved on behalf of the Board:

"David Palmer", Director

"Gordon McCreary", Director

Probe Metals Inc.
Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

	Year ended December 31, 2021	Year ended December 31, 2020
Operating expenses		
Exploration and evaluation expenditures (note 18)	**$ 11,299,791**	$ 14,663,612
General and administrative expenses (note 19)	**6,036,102**	5,559,055
Operating loss before interest and other income, accretion expense, premium on flow-through shares, realized gain on sale of marketable securities, and unrealized loss on marketable securities	**(17,335,893)**	(20,222,667)
Interest and other income	**180,999**	318,957
Accretion expense (notes 7 and 11)	**(747,160)**	(131,746)
Premium on flow-through shares (note 12)	**3,954,139**	5,203,861
Realized gain on sale of marketable securities (note 6)	**2,871,131**	361,963
Unrealized loss on marketable securities (note 6)	**(1,696,736)**	(145,731)
Loss and comprehensive loss for the year	**$(12,773,520)**	$(14,615,363)
Basic and diluted loss per share (note 17)	**$ (0.10)**	$ (0.12)
Weighted average number of common shares outstanding - basic and diluted	**131,754,108**	125,102,805

The accompanying notes are an integral part of these financial statements.

Probe Metals Inc.
Statements of Cash Flows
(Expressed in Canadian Dollars)

	Year ended December 31, 2021	2020
Operating activities:		
Net loss for the year	**$ (12,773,520)**	$ (14,615,363)
Adjustments for:		
Share-based payments (notes 15 and 16)	**2,693,032**	3,046,417
Depreciation (notes 8 and 9)	**162,814**	144,828
Accrued interest receivable	**14,431**	16,490
Realized gain on sale of marketable securities (note 6)	**(2,871,131)**	(361,963)
Shares issued to acquire mineral property (note 13(b)(i)(ii)(iii)(v))	**55,976**	1,556,316
Unrealized loss on marketable securities (note 6)	**1,696,736**	145,731
Premium on flow-through share (note 12)	**(3,954,139)**	(5,203,861)
Accretion expense (notes 7 and 11)	**747,160**	131,746
Restoration fees (note 7)	**98,246**	879,758
Changes in non-cash working capital items:		
Trade accounts receivable and other receivables	**(27,231)**	(277,471)
Prepaid expenses	**38,771**	(33,692)
Income tax receivable	**862,322**	140,988
Amounts payable and other liabilities	**318,138**	(79,440)
Net cash used in operating activities	**(12,938,395)**	(14,509,516)
Investing activities:		
Proceeds from sale of marketable securities (note 6)	**1,150,979**	1,028,563
Purchase of property and equipment (note 8)	**(34,441)**	(146,938)
Purchase of reclamation bonds (note 7)	**-**	(413,050)
Net cash provided by investing activities	**1,116,538**	468,575
Financing activities:		
Cash paid for RSUs (note 16)	**(873,705)**	-
Proceeds from private placements (note 13(b)(iv))	**-**	10,040,000
Share issue costs	**-**	(648,209)
Exercise of warrants	**6,984,575**	4,550
Exercise of stock options	**4,005,000**	846,000
Lease payments (note 11)	**(166,416)**	(159,490)
Net cash provided by financing activities	**9,949,454**	10,082,851
Net change in cash	**(1,872,403)**	(3,958,090)
Cash, beginning of year	**30,739,058**	34,697,148
Cash, end of year	**$ 28,866,655**	$ 30,739,058

Supplemental cash flow information

Cash received for interest	**$ 183,061**	$ 362,814

The accompanying notes are an integral part of these financial statements.

(Expressed in Canadian Dollars)

Equity attributable to shareholders

	Share capital	Warrants	Contributed surplus	Accumulated deficit	Total
Balance, December 31, 2019	**$ 98,195,843**	**$ 3,689,463**	**$ 7,084,983**	**$ (74,768,684)**	**$ 34,201,605**
Shares issued to acquire mineral property (note 13(b)(i)(ii)(iii))	1,556,316	-	-	-	1,556,316
Private placement (note 13(b)(iv))	10,040,000	-	-	-	10,040,000
Warrants (note 13(b)(iv))	(1,074,739)	1,074,739	-	-	-
Share issue costs	(648,209)	-	-	-	(648,209)
Flow-through share premium (note 12(ii))	(3,000,000)	-	-	-	(3,000,000)
RSUs vested (note 16)	29,822	-	(29,822)	-	-
Exercise of warrants	5,330	(780)	-	-	4,550
Exercise of stock options	1,668,583	-	(796,063)	-	872,520
Stock options expired	-	-	(83,115)	83,115	-
Warrants expired	-	(2,481,664)	-	2,481,664	-
Share-based payments (notes 15 and 16)	-	-	3,046,417	-	3,046,417
Loss and comprehensive loss	-	-	-	(14,615,363)	(14,615,363)
Balance, December 31, 2020	**106,772,946**	**2,281,758**	**9,222,400**	**(86,819,268)**	**31,457,836**
Shares issued to acquire mineral property (note 13(b)(v))	55,976	-	-	-	55,976
Warrants expired	-	(9,971)	-	9,971	-
RSUs vested (note 16)	378,810	-	(378,810)	-	-
RSUs reclassified to liability (note 16)	-	-	(829,459)	(256,243)	(1,085,702)
Exercise of warrants	8,181,624	(1,197,049)	-	-	6,984,575
Exercise of stock options	7,189,074	-	(3,184,074)	-	4,005,000
Stock options expired	-	-	(223,627)	223,627	-
Share-based payments (notes 15 and 16)	-	-	2,336,383	-	2,336,383
Loss and comprehensive loss	-	-	-	(12,773,520)	(12,773,520)
Balance, December 31, 2021	**$122,578,430**	**$ 1,074,738**	**$ 6,942,813**	**$ (99,615,433)**	**$ 30,980,548**

The accompanying notes are an integral part of these financial statements.

1. Nature of Operations

Probe Metals Inc. (the "Company" or "Probe Metals") was incorporated pursuant to the *Business Corporations Act* (Ontario) under the name "2450260 Ontario Inc." on January 16, 2015. Articles of amendment were subsequently filed on February 3, 2015 to change the name of the Company to "Probe Metals Inc.". The Company's head office is located at 56 Temperance Street, Suite 1000, Toronto, Ontario, Canada, M5H 3V5. The Company's common shares started trading on the TSX Venture Exchange ("TSXV") on March 17, 2015 under the trading ticker symbol "PRB". The Company, a Canadian precious metal exploration company, was formed following the acquisition of Probe Mines Limited by Goldcorp Inc. pursuant to the arrangement announced on January 19, 2015.

Probe Metals is a leading Canadian gold exploration company focused on the acquisition, exploration and development of highly prospective gold properties. The Company is committed to discovering and developing high-quality gold projects, including its key asset the multimillion-ounce Val-d'Or East Gold Project, Québec. The Company is well-funded and controls a strategic land package of approximately 1,500-square-kilometres of exploration ground within some of the most prolific gold belts in Québec.

The financial year end of the Company is December 31st.

The Company continues to actively monitor the impact of the COVID-19 pandemic, including the impact on economic activity and financial reporting. During the year ended December 31, 2021, the Company has taken a number of measures to safeguard the health of its employees and their local communities while continuing to operate safely and responsibly. To date, our operations have remained stable as the pandemic continues to progress and evolve but it is difficult to predict the full extent and duration of resulting operational and economic impacts for the Company, which are expected to impact a number of reporting periods. This uncertainty impacts judgements made by the Company, including those relating to determining the recoverable values of the Company's non-current assets.

2. Significant Accounting Policies

Statement of Compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the interpretations issued by the IFRS Interpretations Committee.

The financial statements are presented in Canadian dollars, the Company's functional currency, and have been prepared on a historical cost basis.

The financial statements were authorized for issue by the Board of Directors on April 7, 2022.

2. Significant Accounting Policies (Continued)

Financial Instruments

IFRS 9 - Financial Instruments ("IFRS 9") includes finalized guidance on the classification and measurement of financial assets. Under IFRS 9, financial assets are classified and measured either at amortized cost, fair value through other comprehensive income (“FVOCI”) or fair value through profit or loss (“FVTPL”) based on the business model in which they are held and the characteristics of their contractual cash flows.

All financial assets not classified at amortized cost or FVOCI are measured at FVTPL. On initial recognition, the Company can irrevocably designate a financial asset at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated at FVTPL:

- It is held within a business model whose objective is to hold the financial asset to collect the contractual cash flows associated with the financial asset instead of selling the financial asset for a profit or loss;
- Its contractual terms give rise to cash flows that are solely payments of principal and interest.

Financial liabilities are classified as either financial liabilities at FVTPL or at amortized cost. The Company determines the classification of its financial liabilities at initial recognition.

Financial liabilities are classified as measured at amortized cost unless they fall into one of the following categories: financial liabilities at FVTPL, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition, financial guarantee contracts, commitments to provide a loan at a below-market interest rate, or contingent consideration recognized by an acquirer in a business combination.

Financial liabilities are classified as FVTPL if they fall into one of the five exemptions detailed above.

Transaction costs associated with financial instruments, carried at FVTPL, are expensed as incurred, while transaction costs associated with all other financial instruments are included in the initial carrying amount of the asset or the liability.

All financial instruments are initially recognized at fair value on the statement of financial position. Subsequent measurement of financial instruments is based on their classification. Financial assets and liabilities classified at FVTPL are measured at fair value with changes in those fair values recognized in the statement of loss and comprehensive loss for the period. Financial assets classified at amortized cost and financial liabilities are measured at amortized cost using the effective interest method.

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled, or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

2. Significant Accounting Policies (Continued)

Financial Instruments (continued)

IFRS 9 introduced a single expected credit loss impairment model, which is based on changes in credit quality since initial application. The adoption of the expected credit loss impairment model had no impact on the Company's financial statements.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Company in full or when the financial asset is more than 90 days past due.

The carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

The following table summarizes the classification under IFRS 9 for each financial instrument:

Financial instruments	Classification
Cash	Amortized cost
Trade accounts receivable and other receivables	Amortized cost
Marketable securities	FVTPL
Reclamation bonds	Amortized cost
Amounts payable and other liabilities	Amortized cost
RSU liability	FVTPL

Financial instruments recorded at fair value on the statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Marketable securities and RSU liability are classified as Level 1.

2. Significant Accounting Policies (Continued)

Property and Equipment

Property and equipment are carried at cost, less accumulated depreciation and accumulated impairment losses.

The cost of an item of property and equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Depreciation is recognized based on the cost of an item of property and equipment, less its estimated residual value, over its estimated useful life at the following rates:

Detail	Percentage	Method
Computer equipment	30%	Declining balance
Field equipment	30%	Declining balance
Site building	10%	Declining balance
Building	10%	Declining balance
Artwork	-	-

Artwork is not amortized since it does not have determinable useful life.

At each financial position reporting date the carrying amounts of the Company's assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any.

The recoverable amount is the higher of fair value less disposal costs and value in use. In assessing value in use, the estimated future cash flows are discounted at a rate that reflects current market assessments of the pre-tax time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the statement of loss.

Assets that don't have a determinable useful life are not subject to amortization and are tested annually for impairment. None were noted for the current year.

Leases

All leases are accounted for by recognizing a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of twelve months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by the incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- Amounts expected to be payable under any residual value guarantee;
- The exercise price of any purchase option granted if it is reasonable certain to assess that option;
- Any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

2. Significant Accounting Policies (Continued)

Leases (continued)

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- Lease payments made at or before commencement of the lease;
- Initial direct costs incurred; and
- The amount of any provision recognised where the Company is contractually required to dismantle, remove or restore the leased asset.

Lease liabilities, on initial measurement, increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made.

Right-of-use assets are amortized on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if this is judged to be shorter than the lease term.

When the Company revises its estimate of the term of any lease, it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortized over the remaining (revised) lease term.

Exploration and Evaluation Expenditures

The Company expenses exploration and evaluation expenditures as incurred. Exploration and evaluation expenditures include acquisition costs of mineral properties, property option payments and evaluation activities.

Once a project has been established as commercially viable and technically feasible, related development expenditures are capitalized. This includes costs incurred in preparing the site for mining operations. Capitalization ceases when the mine is capable of commercial production, with the exception of development costs that give rise to a future benefit.

Exploration and evaluation expenditures are capitalized if the Company can demonstrate that these expenditures meet the criteria of an identifiable intangible asset. To date, no such exploration and evaluation expenditures have been identified and capitalized.

The Company assess its exploration arrangements with other entities to determine if joint control, as defined in IFRS 11 - Joint Arrangements, exists over any other the projects.

Provisions

A provision is recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flows to present value.

2. Significant Accounting Policies (Continued)

Flow-through Shares

The Company will from time to time, issue flow-through common shares to finance a significant portion of its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital. Upon expenditures being incurred, the Company derecognizes the liability and recognizes a premium on flow-through shares to the statement of loss and comprehensive loss.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resources property exploration expenditures. The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Look-back Rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a financial expense until paid.

Share-based Payment Transactions

The fair value of share options granted to employees is recognized as an expense over the vesting period using the graded vesting method with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee, including directors of the Company.

The fair value is measured at the grant date and recognized over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model, taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest. Share-based payments incorporates an expected forfeiture rate of nil.

Restricted Stock Unit ("RSU")

Under the RSU Plan, selected employees are granted RSUs where each RSU has a value equal to one Probe Metals common share. RSUs are measured at fair value on the grant date. The fair value of RSUs are recognized as a charge to share-based payments as a general and administrative expense over the vesting period with a corresponding increase in equity. RSUs expected to settle in cash are reclassified as a liability and valued at market.

Restoration, Rehabilitation and Environmental Obligations

A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. Such costs are discounted to their net present value and are provided for and capitalized at the start of each project to the carrying amount of the asset, as soon as the obligation to incur such costs arises. Discount rates using a pretax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either a unit-of-production or the straight-line method as appropriate. The related liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation. Refer to note 7.

2. Significant Accounting Policies (Continued)

Income Taxes

Income tax expense consists of current and deferred tax expense. Current and deferred tax are recognized in profit or loss except to the extent that they relate to items recognized directly in equity or other comprehensive income.

Current tax is recognized and measured at the amount expected to be recovered from or payable to the taxation authorities based on the income tax rates enacted or substantively enacted at the end of the reporting period and includes any adjustment to taxes payable in respect of previous periods.

Deferred tax is recognized on any temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable earnings. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized and the liability is settled. The effect of a change in the enacted or substantively enacted tax rates is recognized in net loss and comprehensive loss or in equity depending on the item to which the adjustment relates.

Deferred tax assets are recognized to the extent future recovery is probable. At each reporting period end, deferred tax assets are reduced to the extent that it is no longer probable that sufficient taxable earnings will be available to allow all or part of the asset to be recovered.

Loss per Share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. The treasury stock method is used to arrive at the diluted loss per share, which is determined by adjusting the loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all warrants, options and RSUs outstanding that may add to the total number of common shares.

Business Combinations

Business combinations are accounted for using the acquisition method of accounting, whereby identifiable assets acquired and liabilities assumed are recorded at fair value as of the date of acquisition with the excess of the purchase price over such fair value recorded as goodwill. If a transaction does not meet the definition of a business combination as per IFRS standards, the transaction is recorded as an acquisition of an asset.

2. Significant Accounting Policies (Continued)

Significant Accounting Judgments and Estimates

The preparation of these financial statements requires management to make certain estimates, judgments 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. These financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the 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 future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates

Significant assumptions about the future that management has made that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- Assets' carrying values and impairment charges: In the determination of carrying values and impairment charges, management looks at the higher of: recoverable amount; fair value less costs to sell in the case of assets; and significant or prolonged decline of fair value on financial assets indicating impairment. These determinations and their individual assumptions require that management make a decision based on the best available information at each reporting period.
- Restoration, rehabilitation and environmental obligations: Restoration liabilities have been determined based on the estimated settlement amounts. Assumptions, based on the current economic environment, have been made which management believes are a reasonable basis upon which to estimate the future liability. These estimates take into account any material changes to the assumptions. Estimates are reviewed quarterly and are based on current regulatory requirements. Significant changes in estimates of contamination, restoration standards and techniques will result in changes to liability on a quarterly basis. Actual rehabilitation costs will ultimately depend on the settlement amount for actual rehabilitation costs which will reflect the market condition at the time of costs are incurred. The final cost may be higher or lower than the currently recognized rehabilitation provisions.
- Management determines the fair value of warrants and stock options using the Black-Scholes option pricing model.

Critical accounting judgments

- Income taxes and recovery of deferred tax assets: The measurement of income taxes payable and deferred income tax assets and liabilities requires management to make judgments in the interpretations and application of the relevant tax laws. The actual amount of income taxes only becomes final upon filing and acceptance of the tax return by the relevant authorities, which occurs subsequent to the issuance of the financial statements.
- RSUs: Judgments are made by management to determine whether the RSUs will be settled for cash or shares.

3. Capital Risk Management

The Company manages its capital with the following objectives:

- to ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities, and pursuit of accretive acquisitions; and
- to maximize shareholder return.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by management and the Board of Directors on an ongoing basis. The Company's ability to continue to carry out its planned exploration activities is uncertain and dependent upon securing additional financing.

The Company considers its capital to be equity which at December 31, 2021, totaled $30,980,548.

The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. The forecast is updated based on activities related to its mineral properties. The Company's capital management objectives, policies and processes have remained unchanged during the year ended December 31, 2021. The Company is not subject to any capital requirements imposed by a lending institution or regulatory body and Policy 2.5 of the 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 is compliant with Policy 2.5.

4. Financial Risk Management

Financial risk

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate, foreign currency risk and price risk).

Risk management is carried out by the Company's management team with guidance from the Audit Committee and Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

(i) Credit risk

Credit risk is the risk of loss associated with a counterparty’s inability to fulfill its payment obligations. Trade accounts receivable and other receivables consist mainly of taxes recoverable. The Company has no significant concentration of credit risk arising from operations. The expected credit loss on the remaining receivables is minimal.

(ii) Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2021, the Company had cash of $28,866,655, to settle current liabilities of $1,988,878. All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

4. Financial Risk Management (Continued)

(iii) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates and quoted prices.

(a) Interest rate risk

The Company has $28,866,655 cash balances and no interest-bearing debt and was not exposed to interest rate risk. The Company's current policy is to invest excess cash in high yield savings accounts and guaranteed investment certificates issued by a Canadian chartered bank with which it keeps its bank accounts. The Company periodically monitors the investments it makes and is satisfied with the creditworthiness of its Canadian chartered bank. As a result, the Company's exposure to interest rate risk is minimal.

(b) Foreign currency risk

The Company does not have any significant assets in currency other than the functional currency of the Company, nor has significant foreign currency denominated liabilities, therefore any changes in foreign exchange rates will not give rise to significant changes to the net loss.

(c) Price risk

The Company is exposed to price risk with respect to equity prices and commodity prices. Equity price risk is defined as the potential adverse impact on the Company’s loss due to movements in individual equity prices or general movements in the level of stock market. Commodity price risk is defined as the potential adverse impact and economic value due to commodity price movements and volatilities.

Sensitivity analysis

The Company's marketable securities are denominated in Canadian dollars and are subject to fair value fluctuations. As at December 31, 2021, if the fair value of the Company's marketable securities had increased/decreased by 20% with all other variables held constant, profit and loss for the year ended December 31, 2021, would have been approximately $769,000 lower/higher. Similarly, as at December 31, 2021, the Company's reported shareholders' equity would have been approximately $769,000 higher/lower as a result of a 20% increase/decrease in marketable securities.

5. Trade Accounts Receivable and Other Receivables

As at December 31,	**2021**	**2020**
Sales tax receivable - (Canada)	**$ 782,107**	$ 753,222
Accrued interest receivable	**14,428**	16,490
Receivable from Midland Exploration Inc. ("Midland")	**44,251**	29,852
Receivable from stock options exercised	**-**	28,419
	$ 840,786	$ 827,983

(Expressed in Canadian Dollars)

6. Marketable Securities

December 31, 2021	Number of shares	Cost	Unrealized loss	Fair market value
Eldorado Gold Corp. ("Eldorado") (i)	228,450	$ 3,264,551	$ (573,410)	$ 2,691,141
GFG Resources Inc. ("GFG")	7,077,883	3,538,942	(2,583,427)	955,515
Opus One Resources Inc. ("Opus")	4,000,000	444,000	(244,000)	200,000
		$ 7,247,493	**$ (3,400,837)**	**$ 3,846,656**

December 31, 2020	Number of shares	Cost	Unrealized (loss) gain	Fair market value
GFG	7,077,883	$ 3,538,942	$ (2,335,702)	$ 1,203,240
Opus	4,400,000	488,400	(268,400)	220,000
QMX Gold Corporation ("QMX") (i)	15,000,000	1,500,000	900,000	2,400,000
		$ 5,527,342	**$ (1,704,102)**	**$ 3,823,240**

During the year ended December 31, 2021, the Company recorded an unrealized loss on marketable securities of $1,696,736 (year ended December 31, 2020 - unrealized loss of $145,731) in the statements of loss and comprehensive loss and recorded realized gain on marketable securities of $2,871,131 (year ended December 31, 2020 - realized gain of $361,963).

(i) During the year ended December 31, 2021, Eldorado completed the acquisition of QMX by way of a statutory plan of arrangement. Under the terms of the arrangement, each holder of QMX common shares was entitled to receive, for each QMX common share held immediately prior to the effective time, (i) $0.075 in cash and (ii) 0.01523 of a common share of Eldorado.

7. Reclamation Bonds and Restoration Liabilities

Reclamation Bonds

As at December 31,	2021	2020
Insurance bond - Monique Property	**$ 402,757**	$ 402,757
Insurance bond - Pascalis Property	**10,293**	10,293
Total reclamation bonds	**$ 413,050**	$ 413,050

Restoration Liabilities

	December 31, 2021	December 31, 2020
Val d'Or East Project (Monique Property) restoration liabilities		
Balance, beginning of year	**$ 878,946**	$ -
Additions during the year	**98,246**	869,465
Accretion	**643,166**	9,481
Balance, end of year	**$ 1,620,358**	$ 878,946
Val d'Or East Project (Pascalis Property) restoration liabilities		
Balance, beginning of year	**$ 10,293**	$ -
Additions during the year	**-**	10,293
Balance, end of year	**$ 10,293**	$ 10,293
Total restoration liabilities	**$ 1,630,651**	$ 889,239

(Expressed in Canadian Dollars)

7. Reclamation Bonds and Restoration Liabilities (Continued)

(i) On March 31, 2020, the Company acquired the Monique Property. With the acquisition, the Company also assumed the liabilities for the restoration and rehabilitation of the Monique Property mining site of $947,663.

As a result, Probe Metals now has a closure liability of $947,663 and purchased an insurance bond. The insurance bond with an insurance company amounts to $379,065 and the Company makes yearly payments of $23,692 towards the insurance bond for the closure liability.

In 2020, the present value of restoration liabilities relating to the Company's Monique Property was revalued at year end and was estimated at using risk-free interest rate of 1.31%, period of 15 years and inflation rate of 0.73%. For the year ended December 31, 2020, the impact on accretion expense in the statement of loss and comprehensive loss was $9,481.

In 2021, the present value of restoration liabilities relating to the Company's Monique Property was revalued at year end and was estimated at using risk-free interest rate of 1.68%, period of 14 years and inflation rate of 4.80%. For the year ended December 31, 2021, the impact on accretion expense in the statement of loss and comprehensive loss was $643,166. Included in accretion is $630,365 related to a present value adjustment.

The amounts are subject to measurement uncertainty with respect to estimated costs, the actual timing of reclamation, the inflation rate and the discount rates used.

(ii) On September 11, 2020, the Pascalis Property reclamation and environmental bond was posted by the Company to secure clean-up expenses as required by the Ministère de l'Energie et des Ressources Naturelles.

8. Property and Equipment

Cost	Artwork	Computer equipment	Field equipment	Site building	Building	Total
Balance, December 31, 2019	**$ 121,776**	**$ 70,284**	**$ 237,233**	**$ 15,833**	**$ 341,211**	**$ 786,337**
Additions	-	11,316	135,622	-	-	146,938
Balance, December 31, 2020	**121,776**	**81,600**	**372,855**	**15,833**	**341,211**	**933,275**
Additions	-	10,661	23,780	-	-	34,441
Balance, December 31, 2021	**$ 121,776**	**$ 92,261**	**$ 396,635**	**$ 15,833**	**$ 341,211**	**$ 967,716**

Accumulated depreciation	Artwork	Computer equipment	Field equipment	Site building	Building	Total
Balance, December 31, 2019	**$ -**	**$ 37,932**	**$ 136,353**	**$ 15,833**	**$ 75,191**	**$ 265,309**
Depreciation during the year	-	11,073	41,423	-	26,600	79,096
Balance, December 31, 2020	**-**	**49,005**	**177,776**	**15,833**	**101,791**	**344,405**
Depreciation during the year	-	10,461	59,418	-	23,941	93,820
Balance, December 31, 2021	**$ -**	**$ 59,466**	**$ 237,194**	**$ 15,833**	**$ 125,732**	**$ 438,225**

Carrying value	Artwork	Computer equipment	Field equipment	Site building	Building	Total
Balance, December 31, 2020	**$ 121,776**	**$ 32,595**	**$ 195,079**	**$ -**	**$ 239,420**	**$ 588,870**
Balance, December 31, 2021	**$ 121,776**	**$ 32,795**	**$ 159,441**	**$ -**	**$ 215,479**	**$ 529,491**

(Expressed in Canadian Dollars)

9. Rights-of-use Assets

	Building
Balance, December 31, 2019	**$ 251,971**
Depreciation	(65,732)
Balance, December 31, 2020	**186,239**
Additions	195,771
Depreciation	(68,994)
Balance, December 31, 2021	**$ 313,016**

Rights-of-use assets is depreciated over a 5 year term. Refer to note 11 for further details.

10. Amounts Payable and Other Liabilities

	As at December 31, 2021	As at December 31, 2020
Amounts payables	**$ 318,062**	$ 568,337
Accrued liabilities	**981,127**	412,714
	$ 1,299,189	$ 981,051

11. Lease Liabilities

(i) On November 1, 2018, the Company entered into a 5 year lease agreement to lease an office. The lease payments are $6,715 and $6,978 for months one to twenty-four and months twenty-five to sixty, respectively from the commencement date of the lease.

The Company has recorded this lease as a right-of-use asset (note 9) and lease liability in the statement of financial position as at December 31, 2018. At the commencement date of the lease, the lease liability was measured at the present value of the lease payments that were not paid at that date. The lease payments are discounted using an interest rate of 18%, which is the Company's incremental borrowing rate. The continuity of the lease liability is presented in the table below:

(ii) On December 1, 2021, the Company entered into a 5 year lease agreement to lease an office. The lease payments are $4,555 per month.

The Company has recorded this lease as a right-of-use asset (note 9) and lease liability in the statement of financial position as at December 31, 2021. At the commencement date of the lease, the lease liability was measured at the present value of the lease payments that were not paid at that date. The lease payments are discounted using an interest rate of 14%, which is the Company's incremental borrowing rate. The continuity of the lease liability is presented in the table below:

(Expressed in Canadian Dollars)

11. Lease Liabilities (Continued)

		Building
Balance, December 31, 2019	**$**	**300,974**
Accretion expense		122,265
Lease payments		(159,490)
Balance, December 31, 2020		**263,749**
Additions		195,771
Accretion expense		103,994
Lease payments		(166,416)
Balance, December 31, 2021	**$**	**397,098**

Lease maturity	Under 1 year	Between 1 - 2 years	Between 3 - 5 years	Over 5 years	Total
Building	$ 216,524	$ 189,547	$ 159,434	$ -	$ 565,505

12. Flow-Through Share Liability

The following is a continuity schedule of the liability of the flow-through shares issuance:

Balance, December 31, 2019	**$**	**6,158,000**
Liability incurred on flow-through shares issued (ii)		3,000,000
Settlement of flow-through share liability on incurring expenditures (i)(ii)		(5,203,861)
Balance, December 31, 2020		**3,954,139**
Settlement of flow-through share liability on incurring expenditures (i)(ii)		(3,954,139)
Balance, December 31, 2021	**$**	**-**

(i) The flow-through common shares issued in the brokered private placement completed on December 10, 2019 were issued at a premium to the market price in recognition of the tax benefits accruing to subscribers. The flow-through premium was calculated to be $6,158,000.

The flow-through premium is derecognized through income as the eligible expenditures are incurred. For year ended December 31, 2021, the Company satisfied $954,139 (year ended December 31, 2020 - $5,203,861) of the commitment by incurring eligible expenditures of approximately $2,147,000 (year ended December 31, 2020 - $11,700,000) and as a result the flow-through premium has been reduced to $nil.

(ii) The flow-through common shares issued in the brokered private placement completed on November 25, 2020 were issued at a premium to the market price in recognition of the tax benefits accruing to subscribers. The flow-through premium was calculated to be $3,000,000.

The flow-through premium is derecognized through income as the eligible expenditures are incurred. For year ended December 31, 2021, the Company satisfied $3,000,000 (year ended December 31, 2020 - $nil) of the commitment by incurring eligible expenditures of approximately $7,000,000 (year ended December 31, 2020 - $nil) and as a result the flow-through premium has been reduced to $nil.

(Expressed in Canadian Dollars)

13. Share Capital

a) Authorized share capital

The authorized share capital consists of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

b) Common shares issued

As at December 31, 2021 the issued share capital amounted to $122,578,430. Changes in issued share capital are as follows:

	Number of common shares	Amount
Balance, December 31, 2019	**121,510,195**	**$ 98,195,843**
Private placement (iv)	4,400,000	10,040,000
Warrants (iv)	-	(1,074,739)
Flow-through share premium (note 12(ii))	-	(3,000,000)
Share issue costs	-	(648,209)
Shares issued for mineral properties (i)(ii)(iii)	1,912,748	1,556,316
Exercise of warrants	3,500	5,330
Exercise of stock options	2,369,500	1,668,583
RSUs vested (note 16)	24,444	29,822
Balance, December 31, 2020	**130,220,387**	**106,772,946**
Shares issued for mineral properties (v)	32,544	55,976
Exercise of warrants	5,372,750	8,181,624
Exercise of stock options	2,670,000	7,189,074
RSUs vested (note 16)	310,500	378,810
Balance, December 31, 2021	**138,606,181**	**$122,578,430**

(i) On March 24, 2020, the Company issued 1,275,510 common shares valued at $778,061 pursuant to an agreement related to the Val-d'Or East Project.

(ii) On May 14, 2020, the Company issued 599,359 common shares valued at $725,224 pursuant to an agreement related to the Detour Project.

(iii) On July 15, 2020, the Company issued 37,879 common shares valued at $53,031 pursuant to an agreement related to the Detour Project.

(Expressed in Canadian Dollars)

13. Share Capital (Continued)

b) Common shares issued (continued)

(iv) On November 25, 2020, the Company completed a non-brokered private placement consisting of 2,500,000 flow-through units of the Company ("FT Units") at a price of $2.80 per FT Unit and 1,900,000 hard dollar units of the Company ("Hard Units") at a price of $1.60 per Hard Unit for aggregate gross proceeds of $10,040,000 (the "Offering").

Each FT Unit consists of one flow-through common share of the Company and one-half of one common share purchase warrant. Each Hard Unit consists of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant will entitle the holder to acquire one common share of the Company for 2 years from the closing of the Offering at a price of $2.10.

The fair value of the 2,200,000 warrants was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of $1.60; expected dividend yield of 0%; risk-free interest rate of 0.27%; volatility of 71% and an expected life of 2 years. The fair value assigned to these warrants was $1,074,739.

The proceeds from the Financing will be used to fund "Canadian exploration expenses" (within the meaning of the Tax Act) related to the Company's projects in Québec, will qualify for inclusion in both the exploration base relating to certain Québec exploration expenses and the exploration base relating to certain Québec surface mining exploration expenses, as such terms are defined in the Taxation Act (Québec), and will be used for general working capital purposes.

(v) On July 27, 2021, the Company issued 32,544 common shares valued at $55,976 pursuant to an agreement related to the Detour Project.

14. Warrants

	Number of warrants	Grant date fair value
Balance, December 31, 2019	**13,734,783**	**$ 3,689,463**
Issued (note 13(b)(iv))	2,200,000	1,074,739
Expired	(8,313,783)	(2,481,664)
Exercised	(3,500)	(780)
Balance, December 31, 2020	**7,617,500**	**2,281,758**
Exercised	(5,372,750)	(1,197,049)
Expired	(44,750)	(9,971)
Balance, December 31, 2021	**2,200,000**	**$ 1,074,738**

The following table reflects the warrants issued and outstanding as of December 31, 2021:

Expiry date	Exercise price ($)	Warrants outstanding	Valuation ($)
November 25, 2022	2.10	2,200,000	1,074,738

(Expressed in Canadian Dollars)

15. Stock Options

	Number of stock options		Weighted average exercise price
Balance, December 31, 2019	**8,711,300**	**$**	**1.05**
Stock options granted (i)	2,950,000		1.17
Exercise of stock options	(2,369,500)		0.37
Stock options forfeited	(75,000)		1.33
Balance, December 31, 2020	**9,216,800**		**1.26**
Stock options granted (ii)(iii)(iv)	1,750,000		1.48
Exercise of stock options	(2,670,000)		1.50
Stock options expired	(150,000)		1.67
Balance, December 31, 2021	**8,146,800**	**$**	**1.22**

(i) On February 20, 2020, 2,950,000 stock options were granted to employees, officers, directors and consultants at the exercise price of $1.17, expiring February 20, 2025. Vesting of the stock options is as follows: one-third on day of grant, one-third after one year and one-third after two years. The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of $1.17; expected dividend yield of 0%; risk-free interest rate of 1.33%; volatility of 120% and an expected life of 5 years. The fair value assigned to these options was $2,849,110.

(ii) On February 24, 2021, 1,475,000 stock options were granted to officers, directors, key employees and consultants at the exercise price of $1.42, expiring February 24, 2026. Vesting of the stock options is as follows: one-third after one year, one-third after two years and one-third after three years. The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of $1.38; expected dividend yield of 0%; risk-free interest rate of 0.73%; volatility of 64% and an expected life of 5 years. The fair value assigned to these options was $1,075,874.

(iii) On June 7, 2021, 200,000 stock options were granted to a director at the exercise price of $1.72, expiring June 7, 2026. Vesting of the stock options is as follows: one-third after one year, one-third after two years and one-third after three years. The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of $1.72; expected dividend yield of 0%; risk-free interest rate of 0.88%; volatility of 63% and an expected life of 5 years. The fair value assigned to these options was $181,861.

(iv) On September 7, 2021, 75,000 stock options were granted to an officer at the exercise price of $1.96, expiring September 7, 2026. Vesting of the stock options is as follows: one-third after one year, one-third after two years and one-third after three years. The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of $2.03; expected dividend yield of 0%; risk-free interest rate of 0.79%; volatility of 60% and an expected life of 5 years. The fair value assigned to these options was $78,737.

(Expressed in Canadian Dollars)

15. Stock Options (Continued)

(v) The total share-based compensation for options granted in current and prior years and vested during the year ended December 31, 2021, amounted to $1,240,620 (year ended December 31, 2020 - $2,334,181).

The following table reflects the actual stock options issued and outstanding as of December 31, 2021:

Expiry date	Exercise price ($)	Options outstanding	Weighted average remaining contractual life (years)	Options exercisable
June 15, 2022	1.36	100,000	0.45	100,000
February 26, 2023	0.75	97,500	1.16	97,500
June 22, 2023	1.22	2,910,000	1.47	2,910,000
February 14, 2024	0.49	173,550	2.12	173,550
February 20, 2025	1.17	2,950,000	3.14	1,966,667
March 19, 2025	0.26	165,750	3.22	165,750
February 24, 2026	1.42	1,475,000	4.15	-
June 7, 2026	1.72	200,000	4.44	-
September 14, 2026	1.96	75,000	4.71	-
		8,146,800	**2.70**	**5,413,467**

16. Restricted Stock Unit ("RSU") Plan

During the year ended December 31, 2018, the Company adopted a RSU plan. The RSU plan provides for a fixed maximum limit of 7,000,000 RSUs.

During the year ended December 31, 2021, the Company granted 1,000,000 RSUs to officers, directors and key employees of the Company under the terms of the Company RSU Plan. The RSUs will vest one-third one year from the day of grant, one-third after two years and one-third after three years.

During the year ended December 31, 2020, the Company granted 1,145,000 RSUs to officers, directors and key employees of the Company under the terms of the Company RSU Plan. The RSUs will vest in full three years from the date of grant.

During the year ended December 31, 2021, 860,000 RSUs vested. 310,500 of these RSUs converted to common shares and $378,810 was reclassed to share capital. 549,500 RSUs were settled through a cash payment of $873,705.

During the year ended December 31, 2021, the Company estimated that certain RSUs outstanding would be settled in cash. Previously, the Company estimated that all RSUs would be settled with shares. As a result of this change in estimate, the Company reclassified the balance of certain RSUs from contributed surplus to liabilities and in addition reclassified $256,243 out of its accumulated deficit balance. The change in estimate also impacted other awards granted during the year ended December 31, 2021, which for certain of the awards has resulted in those awards similarly being presented as part of the RSU liability.

During the year ended December 31, 2020, 24,444 RSUs vested and $29,822 was reclassed to share capital.

(Expressed in Canadian Dollars)

16. RSU Plan (Continued)

Compensation for the year ended December 31, 2021 related to the vesting of RSUs was $1,452,412 (year ended December 31, 2020 - $712,235) and was recorded as share-based payments in the statement of loss and comprehensive loss.

	RSUs outstanding
Balance, December 31, 2019	**935,000**
Granted	1,145,000
Forfeited	(50,556)
Vested	(24,444)
Balance, December 31, 2020	**2,005,000**
Granted	1,000,000
Vested	(860,000)
Balance, December 31, 2021	**2,145,000**

17. Net Loss Per Share

The calculation of basic and diluted loss per share for the year ended December 31, 2021 was based on the loss attributable to common shareholders of $12,773,520 (year ended December 31, 2020 - $14,615,363) and the weighted average number of common shares outstanding of 131,754,108 (year ended December 31, 2020 - 125,102,805). Diluted loss per share did not include the effect of stock options, warrants and RSUs as they are anti-dilutive.

18. Exploration and Evaluation Expenditures

	Year ended December 31,	
	2021	2020
Val-d'Or East Project	**$ 8,886,007**	$ 12,233,972
Detour Project	**1,918,761**	2,054,682
Casa-Cameron Project	**254,811**	362,437
Black Creek Property	**22,043**	5,702
Tamarack-McFauld's Lake Property	**209,179**	3,321
Victory Property	**4,891**	1,862
Millen Mountain Property	**-**	200
Project Generation	**4,099**	1,436
Exploration and evaluation expenditures	**$ 11,299,791**	$ 14,663,612

(Expressed in Canadian Dollars)

18. Exploration and Evaluation Expenditures (Continued)

	Year ended December 31, 2021	Year ended December 31, 2020
Advanced exploration	**$ 310,281**	$ 314,046
Drilling	**7,284,924**	7,483,756
Environment	**83,409**	65,226
General field expenses	**62,944**	107,926
Geochemical	**726,494**	942,471
Geology	**678,681**	725,983
Geophysics	**1,640,548**	2,108,296
Metallurgical testwork	**119,185**	383,358
Modelling	**96,232**	-
Option payment and staking claims	**151,666**	1,609,621
Preliminary economic assessment	**799,037**	50,585
Research and development	**-**	1,161
Restoration fees (note 7)	**98,246**	869,465
Social and community	**38,076**	2,770
Operator of exploration project	**(789,932)**	(1,052)
	$ 11,299,791	$ 14,663,612

1) Val-d'Or

Val-d'Or East
The Val-d'Or East Project is located approximately 26 kilometers east of the city of Val-d'Or in Québec, Canada. The Company owns 100% interest in the following properties Pascalis, Monique, Courvan Senore, Beaufor North, Lapaska, Bonnefond North, Aurbel East and Megiscane-Tavenier properties. Certain properties are subject to various royalties:

- Net Smelter Royalties ("NSR") ranging from 0.38% to 3.0%% on specific properties. Certain NSRs can be repurchased by the Company ranging from 0.5% - 1.5% for $500,000 - $2,000,000 respectively.
- A 5% NSR on one mining claim payable at Lapaska.
- A 1% gross sale royalty on certain mining claims of a specific property.
- A 5% net profit royalty on certain mining claims from a specific property.

As part of the Val-d'Or East Project, the Company owns a 60% interest in the Cadillac Break East property. The joint venture ("JV") participation is 60% Probe and 40% O3 Mining Inc. ("O3 Mining"). On April 26, 2021, the Company notified O3 Mining of their exercise of a 60% interest in the property and the formation of a JV. The Company may earn an additional 10% (total of 70%) interest in the property by completing a pre-feasibility study, incurring an additional $2,000,000 in exploration expenditure and issuing 200,000 common shares to O3 Mining on completion of the 70% earn-in requirement. If a participant's interest is diluted to less than 10%, its JV interest will be converted to a 2% NSR.

Dubuisson
The Dubuisson Property is located in Dubuisson Township, approximately 7 kilometers west of downtown Val-d'Or. The Dubuisson JV with Agnico Eagle Mines Limited ("Agnico") was formed in 2010. The JV participation is 46.3% Probe Metals and 53.7% Agnico. Dubuisson is subject to a royalty of $25 per ounce on the first 30,000 ounces of gold extracted from the property and thereafter subject to a 2% NSR, of which half (1%) may be purchased by paying $500,000 within two (2) years after commercial production.

18. Exploration and Evaluation Expenditures (Continued)

2) Detour Quebec

The Detour Quebec Project includes the La Peltrie option property, the Gaudet-Fenelon JV property, and the 100%-owned Detour Quebec Main and North properties. The Detour Quebec Project is located 190 kilometers north of Rouyn-Noranda and 40 kilometers northwest of the town of Matagami in Quebec. Certain properties are subject to various royalties:

- NSRs ranging from 1.5% to 2.0% on specific properties. Certain NSRs can be repurchased by the Company ranging from 0.5% - 1.5% for $500,000 - $2,000,000 respectively.
- Gross Metal Royalty ("GMR") ranging from 2% to 2.5% on specific properties. Certain GMRs can be repurchased by the Company ranging from 1.0% - 1.5% for $500,000 to $1,500,000 respectively.

Under the terms of a JV agreement for the Gaudet-Fenelon JV property, the Company and Midland each have a 50% participating interest. The property is contiguous with the Company's Detour Quebec 100%-owned project. The Company will remain the operator and each party will be responsible for funding its proportionate share of expenditures on the JV Project. If a participant's interest is diluted to less than 10%, its JV interest will be converted to a 2% NSR. The remaining participant shall have the right to repurchase 1% of the NSR for $1,500,00 in cash.

On May 14, 2020, the Company announced the completion of the acquisition of SOQUEM 25% interest in the Company's Detour Joint-Venture Project (the "Acquisition"). Pursuant to the Acquisition, the Company owns 100% of the Detour Project. In September 2017, the Company entered into a 75-25 JV agreement with SOQUEM on its Detour Project. The Company's ownership in the claims under this agreement are subject to a milestone payment of $1,000,000 if a positive Preliminary Economic Assessment is released including mineral resources of at least 1 million ounces of gold.

In July 2020, the Company announced that it closed the option agreement with Midland, whereby it may earn up to a 65% interest in the La Peltrie gold property (the "La Peltrie Property"). The La Peltrie Property is contiguous with the Company's Detour Quebec 100%-owned project.

The Company can acquire an undivided 50% interest (the "First Option") in the La Peltrie Property by incurring aggregate expenditures of $3,500,000 as follows:

- An aggregate amount of $500,000 on or before July 31, 2021 (incurred);
- an aggregate amount of at least $1,200,000 on or before July 31, 2022;
- an aggregate amount of at least $2,400,000 on or before July 31, 2023; and
- an aggregate amount of at least $3,500,000 on or before July 31, 2024.

In addition, the Company shall make cash or share payments to Midland in the aggregate amount of $400,000 as follows:

- $50,000 on closing (37,879 common shares issued and valued at $53,031 on July 15, 2020);
- $55,000 on or before July 31, 2021 (32,544 common shares issued and valued at $55,976 on July 27, 2021);
- $70,000 on or before July 31, 2022;
- $100,000 on or before July 31, 2023; and
- $125,000 on or before July 31, 2024.

Upon exercise of the First Option, Probe may, at its sole discretion, increase its undivided interest in the La Peltrie Property to 65% (the "Second Option"), by incurring additional expenditures and/or cash payments, at the sole election of the Company, of $5,000,000 within a period two years from the date of exercise of the First Option.

The property is subject to a GMR of 1% and to a 2% NSR. 1% of the NSR can be purchased at any time by paying $1,500,000 if the Company exercises it's option.

(Expressed in Canadian Dollars)

18. Exploration and Evaluation Expenditures (Continued)

3) Casa Cameron

The Casa Cameron Project includes 4 properties that are located north of La Sarre, Amos and Lebel-sur-Quevillon, in the northwest region of the province of Quebec and are readily accessible year-round with paved and gravel roads. The 100%-own project includes the Casagosic, Sinclair-Bruneau and Florence properties. The Properties are subject to NSRs varying from 1.5% to 2.0%. of which 1% of certain NSRs can be repurchased by the Company ranging from $250,000 to $1,000,000.

4) Black Creek, Tamarack-McFauld's Lake, Victory Properties

The Black Creek, Tamarack-McFauld's Lake, Victory Properties are 100% owned by the Company and are located in the James Bay Lowlands of northern Ontario, approximately 300 kilometers north of the town of Nakina.

5) Timmins West / Meunier-144

The Meunier-144 JV property is located in the western part of the prolific Timmins gold camp, approximately 19 kilometres west of the town of Timmins in Ontario, Canada. The Meunier-144 property is a 50/50 JV with Pan American Silver, the operator of the project. The property is subject to a 2.5% NSR of which a 1% NSR may be purchased at any time by Probe for $2,000,000. Also, under the terms of the agreement, Probe is subject to a payment of $2,000,000 in the case where a pre-feasibility study conducted on the property could indicate the potential for commercial production of at least 1 million ounces of gold.

19. General and Administrative Expenses

	Year ended December 31, 2021	Year ended December 31, 2020
Share-based payments (notes 15, 16 and 20)	**$ 2,693,032**	$ 3,046,417
Salaries and benefits (note 20)	**2,082,181**	930,505
Director fees (note 20)	**378,356**	342,628
Professional fees (note 20)	**226,793**	443,825
Administrative costs	**184,110**	243,217
Travel and promotion costs	**162,089**	229,269
Depreciation (notes 8 and 9)	**162,814**	144,828
Shareholder information	**143,475**	161,201
Occupancy costs	**3,252**	17,165
	$ 6,036,102	$ 5,559,055

(Expressed in Canadian Dollars)

20. Related Party Balances and Transactions

Related parties include the Board of Directors and management, close family and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

The below noted transactions are approved by the Board of Directors in strict adherence to conflict of interest laws and regulations.

(a) The Company entered into the following transactions with related parties:

		Year ended December 31,	
	Notes	**2021**	**2020**
Peterson McVicar LLP ("Peterson")	(i)	**$ 19,290**	$ 43,534
Marrelli Support Services Inc. ("Marrelli Support")	(ii)	**$ 76,148**	$ 81,638
DSA Corporate Services Inc. ("DSA Corp")	(ii)	**$ 13,471**	$ 13,085
DSA Filing Services Limited ("DSA Filing")	(ii)	**$ 9,577**	$ 13,057

(a) The Company entered into the following transactions with related parties (continued):

(i) Dennis H. Peterson, a director of the Company, controls Peterson which provided legal services to the Company. The amounts charged by Peterson are based on what Peterson usually charges its clients. The Company expects to continue to use Peterson for an indefinite period. As at December 31, 2021, Peterson was owed $1,020 (December 31, 2020 - $24,405) and this amount was included in amounts payable and other liabilities.

(ii) During the year ended December 31, 2021, the Company paid professional fees of $76,148 (year ended December 31, 2020 - $81,638) to Marrelli Support, an organization of which Carmelo Marrelli is Managing Director. Mr. Marrelli is the former Chief Financial Officer of the Company. These services were incurred in the normal course of operations for general accounting and financial reporting matters. Marrelli Support also provides bookkeeping services to the Company. As at December 31, 2021, Marrelli Support was owed $11,390 (December 31, 2020 - $11,394) and this amount was included in amounts payable and other liabilities.

During the year ended December 31, 2021, the Company paid professional fees of $13,471 (year ended December 31, 2020 - $13,085) to DSA Corp, an organization of which Mr. Marrelli controls. Mr. Marrelli is also the corporate secretary and sole director of DSA Corp. These services were incurred in the normal course of operations for corporate secretarial matters. All services were made on terms equivalent to those that prevail with arm’s length transactions. As at December 31, 2021, DSA Corp was owed $1,130 (December 31, 2020 - $1,215) and this amount was included in amounts payable and other liabilities.

During the year ended December 31, 2021, the Company paid professional fees of $9,577 (year ended December 31, 2020 - $13,057) to DSA Filing, an organization of which Mr. Marrelli controls. Mr. Marrelli is also the corporate secretary and sole director of DSA Filing. These services were incurred in the normal course of operations for corporate secretarial matters. All services were made on terms equivalent to those that prevail with arm’s length transactions. As at December 31, 2021, DSA Filing was owed $202 (December 31, 2020 - $3,041) and this amount was included in amounts payable and other liabilities.

The above noted transactions are in the normal course of business and approved by the Board of Directors in strict adherence to conflict of interest laws and regulations.

(Expressed in Canadian Dollars)

20. Related Party Balances and Transactions (Continued)

(b) Remuneration of directors and key management personnel, other than consulting fees, of the Company was as follows:

	Year ended December 31, 2021	Year ended December 31, 2020
Salaries and benefits (i)(ii)	**$ 2,272,356**	$ 1,786,078
Share-based payments	**$ 2,094,481**	$ 2,649,075

(i) For the year ended December 31, 2021, $1,743,356 of these costs (year ended December 31, 2020 - $1,145,578) are included in general and administrative expenses and $529,000 (year ended December 31, 2020 - $640,500) are included in exploration and evaluation expenditures.

(ii) The directors do not have employment or service contracts with the Company. Directors are entitled to director fees, stock options and RSUs for their services. As at December 31, 2021, officers and directors were owed $809,709 (December 31, 2020 - $421,006) and this amount was included in amounts payable and other liabilities.

21. Segmented Information

The Company's operations comprise a single reporting operating segment engaged in mineral exploration in Canada. As the operations comprise a single reporting segment, amounts disclosed in the financial statements also represent segment amounts. In order to determine reportable operating segments, the chief operating decision maker reviews various factors including geographical location, quantitative thresholds and managerial structure.

22. Income Taxes

(a) Income taxes

The reconciliation of the combined Canadian federal and provincial statutory income tax rate of 26.5% (2020 - 26.5%) to the effective tax rates is as follows:

	Year ended December 31, 2021	Year ended December 31, 2020
Net loss before income taxes	**$ (12,773,520)**	$ (14,615,363)
Expected income tax recovery at statutory rates	**(3,384,980)**	(3,873,070)
Share-based compensation	**713,650**	807,300
Unrealized gain on marketable securities	**(155,610)**	(28,650)
Effect of flow-through shares	**1,378,360**	1,769,990
Unrecognized deferred tax benefits	**1,448,580**	1,324,430
Income tax recovery	**$ -**	$ -

(Expressed in Canadian Dollars)

22. Income Taxes (Continued)

(b) Deferred tax

The following table summarizes the components of deferred tax:

	2021	2020
Deferred tax assets		
Non-capital losses	**$ 16,860**	$ 41,720
Deferred tax liabilities		
Property and equipment	**(16,860)**	(41,720)
	$ -	$ -

Deferred tax assets and liabilities have been offset where they relate to income taxes levied by the same taxation authority and the Company has the legal right and intent to offset.

(c) Unrecognized deductible temporary differences

Deferred taxes are provided as a result of temporary differences that arise due to the differences between the income tax values and the carrying amount of assets and liabilities. Deferred tax assets have not been recognized in respect of the following deductible temporary differences:

	2021	2020
Unrecognized deductible temporary differences		
Non-capital losses	**$ 22,859,620**	$ 20,151,630
Exploration and evaluation expenditures and related tax credits	**14,609,040**	12,448,590
Investments	**3,400,840**	1,704,100
Share issuance costs	**1,178,680**	2,161,000
Leased assets	**84,080**	77,510
Restoration liabilities	**1,630,650**	889,240
Other temporary differences	**53,780**	53,780
	$ 43,816,690	$ 37,485,850

(d) Tax loss carry-forwards

Non-capital losses will expire between 2033 and 2041. Share issue costs will be deducted over the next 3 years. The remaining deductible temporary differences may be carried forward indefinitely.

23. Subsequent Events

(i) On March 8, 2022, the Company completed a bought deal private placement consisting of 6,700,000 flow-through units of the Company at a price of $3.10 per flow-through unit for aggregate gross proceeds of $20,770,000. Each flow-through unit consists of one flow-through common share of the Company and one-half of one common share purchase warrant. Each whole warrant will entitle the holder to acquire one common share of the Company for 2 years from the closing of the offering at a price of $2.40. The proceeds from the offering will be used to fund exploration on Probe's projects in Québec.

The offering was completed through a syndicate of underwriters led by Canaccord Genuity Corp., and including Sprott Private Partners, CIBC Capital Markets, BMO Capital Markets, iA Private Wealth, Research Capital Corporation and Laurentian Bank Securities (collectively, the "Underwriters"). In consideration for their services, the Underwriters received a cash commission equal to 6% of the gross proceeds of the offering. All securities issued and issuable pursuant to the offering are subject to a hold period of four months and one day from closing.

(ii) On March 23, 2022, the Company announced the appointment of Patrick Langlois as Chief Financial Officer and Vice President, Corporate Development to the Company.

In addition, the Company announced that it granted options to acquire a total of 1,475,000 common shares of the Company to officers and directors at the exercise price of $1.87 per share for a period of five years, subject to vesting requirements. Additionally, the Company granted 710,000 RSUs to officers and directors of the Company under the terms of the Company's RSU Plan. Each RSU entitles the holder to acquire one common share of the Company by delivering an exercise notice in accordance with the RSU Plan.