Transition Metals Corp.
Management Discussion & Analysis
For the Year Ended August 31, 2021

INTRODUCTION

This Management's Discussion and Analysis ("MD&A") has been prepared based on information available to Transition Metals Corp. ("we", "our", "us", "Transition Metals", "TMC", "Transition" or the "Company") as of August 31, 2021 unless otherwise noted. The MD&A provides a detailed analysis of the Company's operations for the year ended August 31, 2021 and should be read in conjunction with the audited financial statements and related notes for Transition Metals as at and for the year ended August 31, 2021. This MD&A was prepared as of December 17, 2021.

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

CAUTIONARY STATEMENT REGARDING FORWARD LOOKING INFORMATION

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

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

DESCRIPTION OF THE BUSINESS & BUSINESS OVERVIEW

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

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

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

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

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

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

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

OUTLOOK

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

Partnered projects that the Company considers key to driving value into the next period include: the Sunday Lake PGM-Cu-Ni joint venture with Impala Platinum Holdings Limited (Implats) near Thunder Bay, Wollaston sedimentary copper project and the development of its investment interest in gold projects in the Sudbury Mining District.

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

INTERNAL QUALIFIED PERSON AND QUALITY CONTROL/QUALITY ASSURANCE

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

MINERAL PROPERTIES, ACTIVITY AND PLANS

CORPORATE ACTIVITIES

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

On September 1, 2020, the Company announced that it has purchased a 100% interest in 10 mining claims located in Mongowin Township near Espanola, Ontario in exchange for the issuance of 100,000 common shares of the Company. Pursuant to the agreement, the Vendors shall retain a 1% Net Smelter Royalty (NSR) with the Company reserving the right at any time to purchase 0.5% of the NSR for $600,000.

On September 8, 2020, the Company announced that it has entered into an agreement to sell a portion of its portfolio of royalties to Nova Royalties Corp. (Nova) for $1,072,500 in cash and 525,000 shares of Nova. In addition, the agreement includes a potential $19.5 million in additional milestone payments as follows: $1,000,000 for Golden Elk; $6,000,000 for Island Copper; $9,000,000 for Janice Lake; $1,000,000 for West Matachewan; and $2,500,000 for Mongowin. Included in the sale was one half of the Company's 2.5% net smelter return royalty ("NSR") on the Dundonald project (sold to Class 1 Nickel and Technology Limited in 2018); one half of the Company's 2.0% NSR on the West Matachewan and Elephant Head projects (sold to Canadian Gold Miner Corp in 2016); and one half of Transition's 2.0% NSR interest in the Janice Lake project (optioned to Forum Energy Metals Corp in 2018). In addition, the Company agreed to assign a 1.0% NSR on five of its 100% owned exploration stage projects (Maude Lake, Homathko, Saturday Night, Bancroft, and Wollaston Copper). In total, the royalty sale involved a portion of NSR interests held by Transition on a group of projects representing approximately 600 of 2,000 square kilometres for which the Company retains ownership interest.

On October 15, 2020, the Company announced that it has entered into an option agreement to acquire a 100% interest in the Sawmill Au-Cu Property located 40 kilometres northeast of the Sudbury Mining Camp within Parkin and Hutton townships. The property consists of 106 contiguous mining claims, two mining leases and five patents totaling approximately 825 hectares. The property encompasses historic high-grade polymetallic gold (Au), copper (Cu), and silver (Ag) showings; where grab samples collected by the Company in 2017 returned high-grade assays of 25.1 g/t Au and 158 g/t Ag at the A1 zone as well as 3.42 g/t Au, 1,295 g/t Ag and 4.81% Cu at the Galena showing. Under the terms of the option agreement, Transition can earn a 100% interest in the property by issuing $300,000 in cash ($25,000 on signing) and 1,000,000 shares (100,000 on signing) to the Vendor and completing an aggregate of $1,000,000 in work over a 4-year period. If the Company vests its interest, the Vendor will retain a 2% Net Smelter Return royalty (NSR) with Transition retaining the right to buy back 1% NSR for $1.0 million and a further 0.5% NSR for an additional $1,000,000.

On November 24, 2020, the Company announced that it had entered into an option agreement to acquire a 100% interest in 9 contiguous mining claims 75 kilometres north of Thunder Bay and has additionally staked new claims to consolidate 4,560 hectares covering a significantly underexplored extension of the Beardmore-Geraldton Greenstone Belt. The property dubbed Jolly Gold encompasses a number of historic high-grade gold (Au) occurrences where grab samples collected by the Company in September 2020 returned assay values of 14.35 g/t Au with 0.7 g/t Ag at Trench 1, and 3.96 g/t Au, 7.9 g/t Ag and 0.64 % Cu at Trench 2. The two historic trenches lie along a northeast trend, approximately 1.3 km from each other. Under the terms of the option agreement, Transition can earn a 100% interest in the optioned claims by issuing $175,000 in cash to the vendors ($25,000 on signing) and by completing an aggregate of $250,000 in work expenditures over a 4-year period. If the Company vests its interest, the Vendors will retain a 2% Net Smelter Return royalty (NSR) with Transition retaining the right to buy back 1% NSR for $500,000 and the remaining 1% NSR for an additional $1.5 million.

On December 15, 2020, the Company announced that spinout company SPC Nickel had closed a $7.82 million private placement and filed a preliminary prospectus for a public listing on the TSX Venture Exchange. The Offering was led by strategic investment partner Dundee Goodman Merchant Partners (DGMP) and the filing of preliminary prospectus by SPC represents a significant milestone in Transition's execution of the Project Generator business model. As at the date of the transaction, Transition owned 15,000,000 shares of SPC, representing approximately 15% of the outstanding shares.

On December 18, 2020, the Company issued 2,325,000 stock options to Officers, Directors and Employees of Transition in accordance with its Stock Option Plan. The Options entitle the holder to purchase a common share in Transition for $0.155 for a period of 5 years.

On January 5, 2021, the Company announced that it had granted an option on its Island Copper project to Rich Copper Exploration Corp ("Rich Cu"), a private corporation. The property consists of 5 mining claims covering 62 hectares in Awares Township located approximately 20 kilometres northeast of Sault Ste. Marie, Ontario. (the "Property").

On February 22, 2021, the Company announced the approval of the 2021 budget totaling $2,500,000. The plan includes exploration on 5 of the Company's priority projects, acquisition and development of 2 to 3 new quality projects, and continued efforts to negotiate new joint venture agreements with potential partners to fund advanced exploration on the projects available for option.

On February 24, 2021, the Company announced that its board of directors had declared a special dividend-in-kind of a portion of the common shares of SPC Nickel Corp. ("SPC Nickel") held by the Company to the Company's shareholders of record as of March 3, 2021 (the "Record Date"). Each holder of the Company's common shares on the Record Date would receive 0.1 of an SPC Nickel share (each whole SPC Nickel share, a "SPC Nickel Share") for each one Transition share held by the Transition shareholders.

On March 9, 2021, the Company announced that spinout company SPC Nickel Corp., a battery metals company focused on nickel and copper exploration in the Sudbury Basin, commenced trading on the TSX Venture Exchange under the ticker PC.

On March 24, 2021, the Company announced that it has amended its Option and Joint Venture Agreement with Battery Minerals Resources Corp ("Battery") to allow Battery to earn an interest in the Company's Gowganda Gold project. The amendment allows for BMR to focus its earn-in efforts on portions of the property considered to be more favourable for hosting silver and cobalt mineralization while facilitating the return of portions of the property considered more favourable for hosting gold to Transition. Under the amended agreement, the Company waived the expenditure requirement for the second-year option and removed the requirement for Battery to fund gold exploration on the property moving forward. The consideration received by Transition included a $150,000 cash payment (paid), the return of its Gowganda Gold property totaling 968 hectares with two years of good standing. In addition, Battery assigned additional contiguous claims totaling 4,011 hectares with one-year good standing. The assigned Battery claims include a 1% net smelter return royalty held by Battery.

On March 29, 2021, the Company announced that it has executed a binding letter of intent with Underhill Exploration Ltd ("Underhill" or "Optionor") to option its property and that it had staked an additional 4,300 hectares of adjacent mineral claims to secure an underexplored gold opportunity near the eastern margin of the prolific Quesnel Trough, close to Vernon, British Columbia. The Underhill property covers the Blackhawk Prospect which encompasses the historic East Showing (historic channel sample: 11.3 g/t gold and 12.1 g/t silver across 2.2 metres), the West Showing (historic chip sample; 16.0 g/t gold across 1.2 metres) and the Quartz Showing (historic channel sample: 4.6 g/t gold over 2 metres).

On May 11, 2021, the Company announced that it has secured a 100% interest in the Cryderman property located in southwest Macmurchy Township, Larder Lake Mining District, Ontario. The property consists of six mining and surface rights leases, totaling approximately 106 hectares which host a system of quartz veining partially exposed around a 40 foot (12.2m) deep historical shaft sunk in 1917 to explore the Queen Elizabeth vein. In 2019 Transition entered into an option agreement with a Vendor to earn a 100% interest in the property by issuing $60,000 in cash ($20,000 paid) and up to 650,000 in shares (100,000 issued) to the Vendor and by completing $300,000 (approximately $150,000 completed) in work over a 3-year period subject to a 2% Net Smelter Return royalty (NSR) with Transition retaining the right to buy back 1% of the NSR for $1.0 million. In April 2021, the Company negotiated an accelerated earn-in with the Vendor to fully vest a 100% interest in the property in exchange for a lump sum payment of $25,000 in cash and the issuance of 250,000 shares. In addition, the parties amended the terms of the NSR agreement such that the maximum NSR encumbrance is reduced from 2.0% to 1.5% with Transition retaining the right to buy down 0.5% for $1.0 million at any time.

On June 14, 2021, the Company announced that has entered a binding letter of intent ("LOI") entitling McFarlane Lake Mining Incorporated ("MFM") to purchase a 100% interest in 122 mining claims and 3 patents covering 2,605 hectares in Mongowin Township approximately 20 kilometres South of Espanola, Ontario. The property is comprised of 112 staked claims, three mining patents and 10 purchased mining claims for a total of 2,605 hectares (the "Property"). The 10 purchased mining claims have an underlying royalty agreement that will be assigned to MFM. The underlying royalty agreement grants the previous owner a 1% net smelter return royalty ("NSR") of which Transition retains the right to purchase 0.5% NSR at any time for $600,000. Under the terms of the LOI, MFM has paid XTM $15,000 for a 5-month period of exclusivity to assign the Property to a public vehicle ("Pubco") and complete due diligence. Upon completion of the period of exclusivity, XTM will receive an additional payment of $85,000 and $500,000 of common stock in Pubco prior to transferring the Property. In addition, XTM will be granted a 1.5% net smelter return royalty (NSR) from commercial production from the Property, a $2,500,000 milestone payment upon commencement of commercial production and non-refundable advanced royalty payments of $25,000 per year following the 5th year of the execution of a Definitive Agreement for up to 10 years following the date of the agreement.

On July 28, 2021, the Company announced the passing of Company Chief Financial Officer Chris Chadder.

On July 31, 2021, the Company executed a formal option agreement with Underhill. Subject to the terms of the option agreement, Transition can earn a 100% interest in the property by incurring an aggregate of $100,000 in cash payments according to the following schedule: $10,000 upon execution (paid), $25,000 on or before the 1st anniversary, $30,000 on or before the 2nd anniversary and $35,000 on or before the 3rd anniversary. In addition, the Company must issue an aggregate of 250,000 common shares or cash equivalent according to the following schedule: 75,000 common shares on or before the 1st anniversary, 75,000 common shares on or before the 2nd anniversary and 100,000 common shares by the third anniversary. Additionally, the Company must incur or apply $450,000 in work expenditures according to the following schedule: $75,000 on or before the 1st anniversary, an aggregate total of $150,000 on or before the second anniversary, an aggregate total of $250,000 on or before the 3rd anniversary and finally an aggregate total of $450,000 on or before the 4th anniversary. If on or before July 31, 2024 TMC has made option payments totaling $100,000, completed share issuances totaling 250,000 common shares and incurred work expenditures totaling $450,000, TMC will vest a 100% interest in the property, with the vendors retaining a 1.5% NSR for which TMC may purchase 33.33% or a 0.5% NSR for $1.0 million at any time.

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

EXPLORATION HIGHLIGHTS

On September 1, 2020, the Company announced that it has completed a helicopter-supported, tree-top, bio-geochemical survey over its 100% owned, 150 square kilometre Wollaston Copper Project located approximately 60 kilometres southwest of the Rio Tinto Exploration Canada (RTEC) and Forum Energy Metal's (Forum) Janice Lake project in north central Saskatchewan. The survey work included the collection of more than 600 bio-geochem samples on 500 metre design spacing. In addition, several bedrock copper and zinc occurrences on the property were investigated and sampled resulting in the collection of 29 rock samples.

On October 20, 2020, the Company disclosed results from drilling on SPC Nickel's Aer-Kidd Ni-Cu-PGM Project located in the heart of the Sudbury Mining Camp. Hole AK-19-035 intersected 22.45 metres grading 2.20% Nickel Equivalents (NiEq; 0.54% Ni, 0.41% Cu, 0.97 g/t Pt, 0.79 g/t Pd, 2.08 g/t Au and 3.73 g/t Ag) from 434.50-453.40 metres including a higher-grade section of 3.77% NiEq (0.61% Ni, 0.37% Cu, 2.05 g/t Pt, 3.03 g/t Pd, 2.46 g/t Au and 3.39 g/t Ag. over 4.60 metres.

On November 2, 2020, the Company announced the consolidation of land packages totaling 154 square kilometres covering a range of polymetallic Gold (Au), Copper (Cu) Silver (Ag) and Tungsten (W) deposits adjacent to the Sudbury Igneous Complex, Ontario. The project areas cover extensive trends of brecciated and strongly sodic altered rocks close to major crustal structures that appear to control clusters of base and precious metal mineralization.

On November 17, 2020, the Company disclosed assay results of the rock samples including: 0.47% at the Fannon Lake showing; 0.43% Cu at the Flag Lake showing 1.5 km north of Fannon; 0.44% Cu at the Tosi showing located 25 km southwest of Fannon Lake; and 0.93% Zn from the Fable Lake showing located 5 km southwest of Tosi.

On January 14, 2021, the Company disclosed results from the discovery of a new high-grade gold occurrence (the JBM Showing) on its Sawmill property. Grab samples collected by Transition in late November, 2020 at the JBM showing returned high-grade assays of 38.7 g/t Au and 30.7 g/t. Encouraging gold results were also returned from grab sampling at four other areas on the property that were followed up on with channel sampling before winter conditions halted further sampling.

On January 18, 2021, the Company disclosed results from the helicopter-supported, tree-top, biogeochemical survey completed over approximately 150 square kilometres of its 100% owned Wollaston Copper project in north central Saskatchewan in the summer of 2020. The results highlight large and continuous zones exhibiting enriched copper signatures in vegetation on both the Fannon and Porcupine blocks associated with favourable rock types and structures for sediment hosted copper. In response to a review of the results Transition staked an additional 23 square kilometres to cover significant areas of anomalous copper highlighted near the former boundary of the property.

On February 22, 2021, the Company announced that it had commenced drilling on its Sawmill Property, Sudbury Area, Ontario stating that it had mobilized a drill to the Sawmill property to undertake a preliminary 500 metres of drilling in a series of short holes to test targets highlighted in the vicinity of the Galena Vein and Pyrite Hill showing areas. The showing areas tested occurred within a 4-kilometre trend of brecciated and altered Proterozoic rock sequences interpreted to be prospective for hosting high-grade, lode gold and hydrothermal-style gold deposits.

On April 8, 2021, the Company announced that it had initiated a 1,066-line kilometer high-resolution airborne magnetic survey over its newly acquired Jolly Gold project located approximately 75 kilometres north of Thunder Bay, Ontario. The close line spacing of the survey was intended to help to delineate geological trends, and cross-cutting structural relationships that are pertinent to potential gold and base metal mineralization in preparation for summer field programs.

On May 19, 2021, the Company announced the commencement of field work on 5 of the Company's priority projects located in Ontario, Newfoundland and Saskatchewan.

On August 30, 2021, The Company announced that it had completed a program of trenching and mapping on several of its properties to test gold targets highlighted by promising bedrock grab and channel sampling results in the fall of 2020. Two areas were mechanically stripped and channel sampled; the first completed around the Galena Vein showing, where grab sampling previously completed by the Company returned values up to 13.2 g/t Au, 125.0 g/t Ag, 1.28% Cu and 5.38% Pb; and the second at the newly discovered JBM showing where grab samples recovered in the fall of 2020 returned assays of up to 38.7 g/t Au and 30.7 g/t Au. A combined total of 487 samples were collected and sent in for assay. The Company also completed a high-resolution airborne mag/EM survey over its Duntara Copper property in eastern Newfoundland.

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

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

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

Canadian Gold Miner Corp.

On December 23, 2020 Canadian Gold Miner Corp (CGM) completed a $2.2 million private placement though the sale of 10,978,750 common shares for proceeds of $878,300 as well as 14,361,700 flow through eligible common shares for proceeds of $1,412,424. In March, CGM entered into 2 transformational deals with Skead Holdings allowing it to secure a 100% interest in the Company's flagship Lincoln Nipissing property and to expand its land holdings by more than 70% to control a 100% interest in more than 204 square kilometres in the heart of the Kirkland Lake Mining Camp. Transition owns 15,000,001 shares of CGM representing 20.5% of the outstanding shares.

SPC Nickel Corp. (Formerly Sudbury Platinum Corp)

On December 7, 2020, the SPC filed a preliminary prospectus to qualify, for distribution, 29,785,093 common shares of the SPC issuable for no additional consideration upon the exercise or deemed exercise of 29,785,093 Special Warrants. Concurrently, SPC filed a listing application for the common shares of the Company to be publicly traded on the TSX Venture Exchange.

On December 15, 2020 the Company announced that spinout company SPC Nickel ("SPC") had closed an over-subscribed non-brokered private placement which resulted in gross proceeds of $7,823,158 and filed a preliminary prospectus with the securities regulatory authorities in Ontario, Alberta and British Columbia in connection with an application to list its common shares (the "Common Shares") on the TSX Venture Exchange.

On February 24, 2021, Transition announced that its board of directors had declared a special dividend-in-kind of a portion of the common shares of SPC held by the Company to the Company's shareholders of record as of March 3, 2021. Each holder of the Company's common shares on the Record Date would receive 0.1 of an SPC share for each one Transition share held by the Transition shareholders to be paid on or about March 17, 2021. The Company recognized a realized gain on dividend-in-kind of $1,303,820 upon the declaration of the special dividend-in-kind. As a result of the declaration, a total of 5,678,132 shares of SPC were distributed by way of the dividend.

The Company recognized a realized loss on dividend payment of $1,303,820 upon the distribution of the special dividend-in-kind. Post dividend-in-kind distribution, Transition Metals retained approximately 9,321,868 SPC shares, representing about 9% of the outstanding shares of SPC.

On March 8, 2021, SPC commenced trading on the TSX Venture Exchange under the ticker symbol SPC.V. Additional information regarding SPC can be obtained at www.spcnickel.com.

TRANSITION PROPERTY HOLDINGS

The Company owns properties in several jurisdictions in Canada and is currently registered to conduct business in Ontario, Newfoundland and Labrador, Nova Scotia, British Columbia, and Saskatchewan. As of August 31, 2021, the Company owned or held under option an ownership interest in mining properties totaling approximately 83,475 hectares (ha) (83.4 square kilometres) for purposes of conducting exploration and development activities. Individual projects expenditures for the period are summarized in the table at the end of this section.

Property Summary Table

XTM Properties

Projects	Properties August 31, 2021	Hectares August 31, 2021	Properties May 31, 2021	Hectares May 31, 2021	Properties Feb 28, 2021	Hectares Feb 28, 2021	Properties Nov 30, 2020	Hectares Nov 30, 2020	Properties as of Aug 31, 2020	Hectares Aug 31, 2020
Thunder Bay - Ni-Cu-PGM's	593	11,385	593	11,448	593	11,453	593	11,453	593	11,453
Saskatchewan Copper	18	18,854	19	18,969	12	16,658	12	16,658	35	54,908
Abitibi Gold - Ontario	762	12,034	763	12,053	530	7,820	530	7,820	530	7,820
Sudbury Cu-Gold - Ontario	458	9,748	458	9,786	461	9,793	461	9,793	-	-
Other	568	31,454	607	34,353	520	31,042	520	31,042	564	34,315
Totals	**2,399**	**83,475**	**2,440**	**86,609**	**2,116**	**76,766**	**2,116**	**76,766**	**1,722**	**108,496**

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

OVERVIEW OF PROJECTS

The Company has developed a portfolio of gold, copper, nickel and PGM projects with ownership interest in approximately 83.4 km^2 of property interest in 4 main focus areas as defined by region or commodity focus structure. These include: Thunder Bay (Ni-Cu-PGM's); Saskatchewan (Copper); Abitibi (Gold); and Sudbury Area (Copper/Gold). The Company seeks to advance exploration work in these focus areas by attracting funding partners through the sale of project ownership, as opposed to share capital. The Company has been successful in attracting and creating a number of key partnerships through which the Company continues to advance its interests, some of which are highlighted below.

THUNDER BAY NI-CU-PGM PROJECTS

The Company maintains an interest in 8 property groupings totaling 11,385 hectares consisting of the Sunday Lake (25% carried), Saturday Night (100%), Owl Lake (100%), Fraser Lake (100%), Revell (100%), Nabish Lake (100%), Wagner (100%) and Maude Lake (100%). The Owl Lake and Hele projects are subject to a 1.5% NSR held by Implats.

SUNDAY LAKE

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

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

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

SATURDAY NIGHT

In 2015, the Company staked a magnetic target comparable to the magnetic signatures of other 'Early Rift' intrusions in this area located approximately 16 kilometres west of its Sunday Lake discovery near Thunder Bay, Ontario. This new target, named "Saturday Night", was highlighted by an airborne survey recently flown by the Ontario Geological Survey (OGS).

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

The Company has covered the property with an AMT/MT ground geophysical survey, similar to the approach taken by Impala Canada (formerly North American Palladium) at the nearby Sunday Lake project, to better define the extent and morphology of the Saturday Night intrusion which indicates that the extent of the prospective intrusion is extensive. On May 6, 2019, the Company announced the staking of an additional 235 hectares expanding its 100% owned land holdings to 1,414 hectares. In October of 2020, the Company assigned 1% NSR on the project to Nova Royalties Corp. During the reporting period the Company applied for permits to resume drilling on the property and plans to complete an airborne AMT survey over the property as soon as possible.

MAUDE LAKE

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

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

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

The Company has applied for work permits to allow for a program of mechanical stripping and channel sampling and plans to complete an airborne mag-EM survey over the property as soon as possible.

EVA KITTO

The property covers most of the Eva Kitto Intrusion, an early rift, mafic ultramafic body similar to those that host the Sunday Lake (Ontario), Thunder Bay North (Ontario), Tamarack (Minnesota) and Eagle (Michigan) nickel copper and platinum group (Ni-Cu-PGM) deposits, consisting of 90 staked claims totaling 1,896 hectares owned 100% by Transition Metals. The property is located on the eastern shore of Lake Nipigon, approximately 12 kilometres west of Beardmore Ontario. At Eva Kitto, compilation of historical work including airborne geophysics, drilling and geochemistry have led to the identification of targets considered prospective for hosted Ni-Cu-PGM mineralization. Surface Grab samples from the property have returned values up to ~1.0 g/t Pt+Pd.

REVELL (Ni-Cu-PGM)
The Revell property consists of 42 map staked cells for approximately 870 hectares located in Revell and Hyndman townships of the Kenora Mining District to cover a series of historic Ni-Cu-PGM showings around the margin of the Revell Batholith. Mineralization occurs as Ni-Cu-PGM bearing disseminated sulphides hosted within a marginal dioritic phase of the Revell Batholith. Historic drilling completed on the Pidgeon showing in 1967 encountered two shallow zones of Ni-Cu mineralization returning values of 3.0m @ 0.64% Ni, 0.77% Cu and 12 feet @ 0.68% Ni, 0.90% Cu all above 100 feet (30.48 m) vertical. No PGM or Co values were reported with the drilling, although a grab sample collected by Inco at the Pidgeon showing was reported to contain 1.28 g/t Pt+Pd+Au. Assay values from prospecting samples collected on the Revell property obtained during the reporting period while locating and re-sampling historical showings returned up to 0.64% Cu, 0.11% Ni and 1.0 g/t Pt+Pd+Au at the Tache West showing and up to 0.29% Cu, 0.14% Ni and 0.44 g/t Pt+Pd+Au from grab samples at the Tache East showing.

SEDIMENTARY COPPER - SASKATCHEWAN

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

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

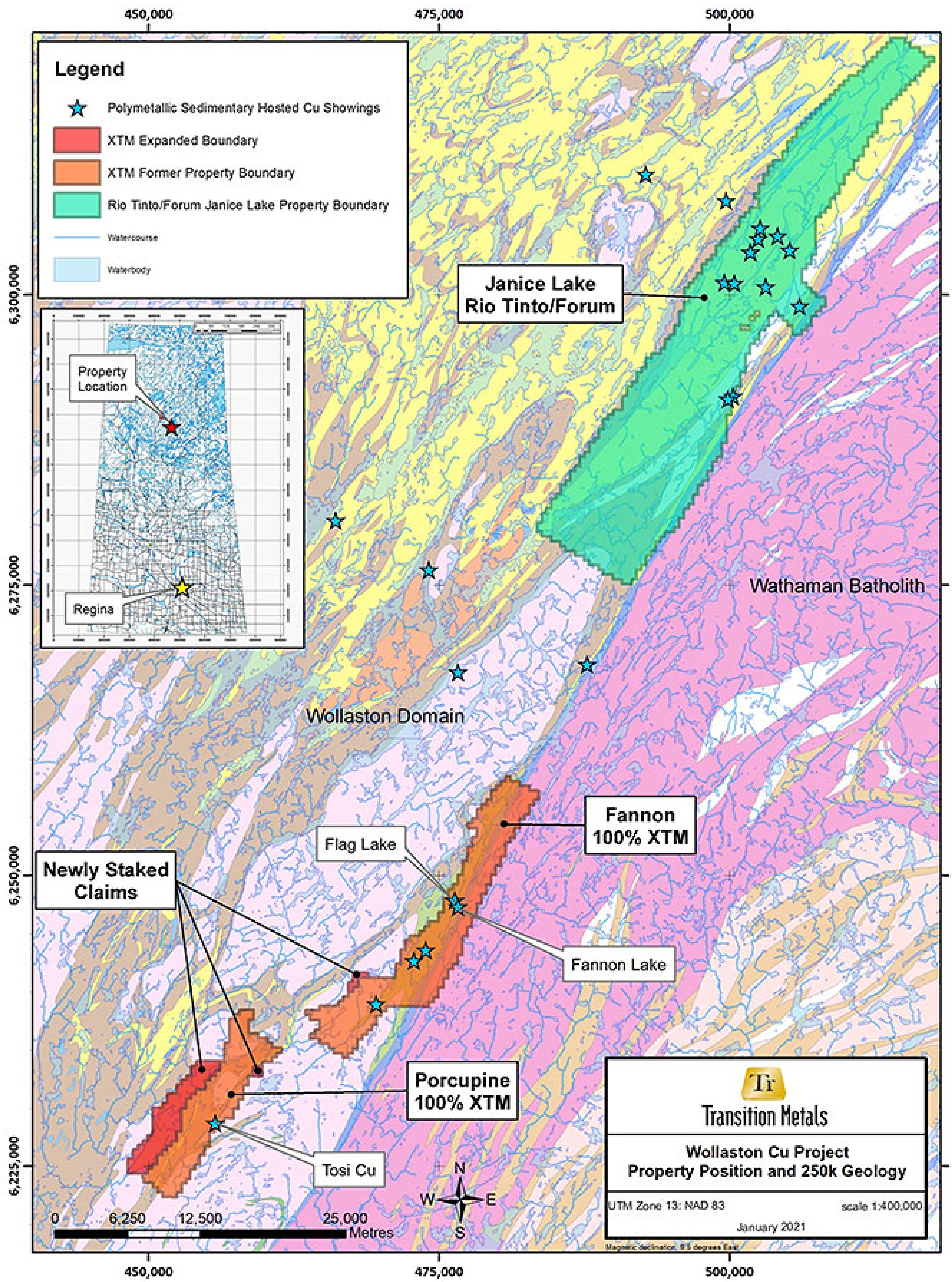
In October 2020, the Company assigned a 1% NSR on the project to Nova Royalties Corp.

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

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

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

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


450,000
475,000
500,000
Legend
Polymetallic Sedimentary Hosted Cu Showings
XTM Expanded Boundary
XTM Former Property Boundary
Rio Tinto/Forum Janice Lake Property Boundary
Watercourse
Waterbody
Property Location
Regina
Janice Lake
Rio Tinto/Forum
Wathaman Batholith
Wollaston Domain
Fannon
100% XTM
Flag Lake
Newly Staked
Claims
Fannon Lake
Porcupine
100% XTM
Tosi Cu
6,300,000
6,275,000
6,250,000
6,225,000
0
6,250
12,500
25,000
Metres
N
W
E
S
Transition Metals
Wollaston Cu Project
Property Position and 250k Geology
UTM Zone 13: NAD 83
scale 1:400,000
January 2021

BONNEVILLE COPPER

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

ABITIBI GOLD, ONTARIO

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

GOWGANDA GOLD PROJECT

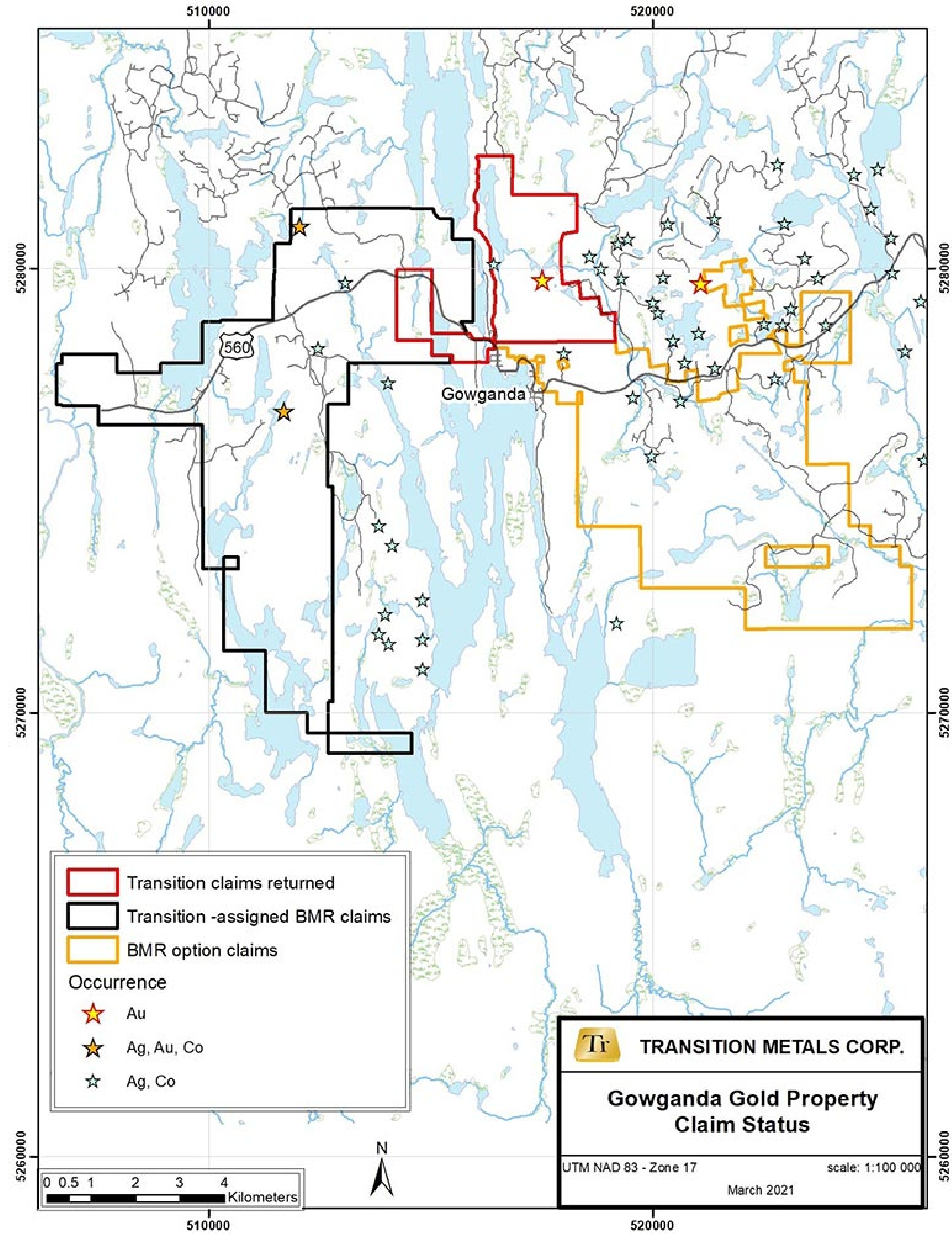
The Gowganda Gold Project is located adjacent to the town of Gowganda, Ontario in Nicol, Haultain, and Van Hise townships, in the Larder Lake Mining District. The center of the project is located approximately 34 kms west of Elk Lake (population 350) and 33 kms southwest of Matachewan (population 450).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

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

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

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

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



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

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

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

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

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

PIPESTONE PROJECT – (40% TRANSITION METALS CORP)
The Pipestone Project consists of 237 converted map-based mining claims (approximately 3,363 ha) located in Wark, Prosser, Gowan, Little and Evelyn townships, Porcupine Mining District, near Timmins, Ontario. The claims were acquired to cover approximately 13 km of the interpreted strike extension of the Pipestone structure. The Pipestone structure is an under-explored gold-bearing regional fault in the Timmins Gold camp that runs sub-parallel to the Destor-Porcupine fault *(>60 million oz of historic production – Ontario Geological Survey - Gold production in the Timmins Regional Resident Geologist’s District to the end of 2006)*. The Destor-Porcupine fault bounds the Porcupine sedimentary basin to the south while the Pipestone fault bounds the basin to the north. Previous work has identified gold mineralization in basal till samples in the section of the fault covered by the Company’s claims as well as in core samples located near the property.

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

SUDBURY AREA (COPPER-GOLD)

AYLMER iocg

On May 4, 2020, the Company entered into an agreement to option the Aylmer IOCG property from a group of Sudbury area vendors. Under the terms of the agreement, Transition has the right to earn a 100% interest in the Aylmer IOCG property by making aggregate cash payments of $102,000 ($22,000 paid); issuing an aggregate total of 625,000 common shares (75,000 issued); and incurring exploration work expenditures totaling $900,000 by May 4, 2024. If the Company exercises its option, the vendors will retain a 2.0% Net Smelter Return Royalty (NSR) from any Commercial Production from the property for which Transition may purchase 1.0% of the NSR for $1,000,000 at any time.
With some additional staking, the property now consists of 119 mining claims covering 3,131 hectares, located north of Lake Wanapitei near Sudbury Ontario. The property lies within a north-trending, regional structural zone interpreted to be 14 to 15 kilometres wide associated with widespread soda-altered rocks and occurrences of copper-bearing quartz veins. Grab samples collected at outcropping exposures of quartz veining, quartz and or carbonate breccia's hosting variable amounts of disseminated sulphides returned copper values ranging from <0.05 ppm Cu to 5.93% Cu representing an average of 0.4% Cu from 19 samples.

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

Sawmill Gold

On October 13, 2020 the Company entered into an agreement to option the Sawmill Gold property from a Sudbury area vendor. The property consists of 106 contiguous mining claims, two mining leases and five patents totaling approximately 825 hectares. Under the terms of the agreement, Transition has the right to earn a 100% interest in the property by issuing $300,000 in cash ($25,000 paid) and 1,000,000 shares (100,000 issued) to the Vendor and completing an aggregate of $1,000,000 in work over a 4-year period. If the Company vests its interest, the Vendor will retain a 2% NSR with Transition retaining the right to buy back 1% NSR for $1.0 million and a further 0.5% NSR for an additional $1,000,000.

The Property is underlain primarily by mafic and felsic volcanics of the eastern Archean Benny greenstone belt that are unconformably overlain to the northeast by sediments of the Proterozoic Huronian Supergroup. Mineralization hosted within the Archean rocks is associated with quartz-carbonate veins in fractures and shears with biotite-chlorite-silica alteration. Mineralization hosted within the Proterozoic rocks is associated with stockwork quartz veins, brecciation of the sediments, and intense carbonatization. The property encompasses historic high-grade polymetallic gold (Au), copper (Cu), and silver (Ag) showings. Sampling by the Company in 2017 returned high-grade assays of 25.1 g/t Au and 158 g/t Ag at the A1 zone as well as 3.42 g/t Au, 1,295 g/t Ag and 4.81% Cu at the Galena showing.

On January 14, 2021 the Company announced the discovery of a new high-grade gold occurrence (the JBM Showing) on its Sawmill property. Grab samples collected by Transition in late November, 2020 at the JBM showing returned high-grade assays of 38.7 g/t Au and 30.7 g/t Au.

On February 22, 2021 the Company announced that it had mobilized a drill to the property to test shallow drill targets associated with the Galena showing area. In May the Company disclosed results from this program reporting that drilling intersected comparable structures to those hosting mineralization in outcrop and returned anomalous gold, silver and base metals ranging from nil to 2.19 g/t Au, nil to 7.8 g/t Ag, and trace to 0.78% Pb over narrow intervals. Work initiated during the quarter at Sawmill has shifted to evaluate other high priority target areas on the property such as the A Zone, the Calcite Showing, and the newly discovered JBM Showing where grab samples recovered in the Fall of 2020 returned assays of up to 38.7 g/t Au and 30.7 g/t Au.

FOSTUNG (TUNGSTEN– CU-AU-AG)
On November 14, 2019 the Company announced that it has acquired a 100% interest in the Fostung Property located near the town of Espanola, approximately 70 kilometres southwest of Sudbury, Ontario.

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

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

> **CJP Exploration Purchase** – 16 mining claims for 356 hectares
> Transition has purchased a 100% interest in the property by issuing $25,000 in cash and $25,000 in shares to the Vendor. The Vendor retains a 1% Net Smelter Return royalty (NSR) on the property with Transition retaining the right to buy back 0.5% NSR for $500,000.
>
> **Daxl Purchase** – 3 mining claims for 67 hectares
> Transition has purchased a 100% interest in the property by issuing $5,000 in cash to the Vendor.

On August 10, 2020 the Company announced that it had entered into an Option and Joint Venture Agreement with 1930153 ON Ltd. (“1930153 ON”) whereby 1930153 ON can earn up to a 100% interest in the Fostung Property. To earn a 50% interest, 1930153 ON must provide option payments totaling $120,000 over 4 years that includes a $15,000 payment upon execution of the Agreement (Paid). All option payments will be doubled if the project attracts at least $2,000,000 of financing during the 5-year Option Period. Additionally, 1930153 ON must complete $500,000 of exploration expenditures over 5 years. 1930153 ON may increase its interest in the Fostung Property to 80% by providing Transition with a further $500,000 in cash and completing an additional $1,500,000 worth of work over 2 years. 1930153 ON may further increase its interest to 100% by making an additional cash payment of $4,500,000 to the Company, subject to a 2.0% NSR royalty.

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

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

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

BASS LAKE – GOLD - ONTARIO

The mining rights only of three patents located on the south shore of Bass Lake totaling 48 hectares are 100% owned by Transition Metals. The property is known to host a gold occurrence described as gold mineralization in a quartz carbonate stockwork developed in brecciated and albitized Huronian sediments located approximately 4 kms north of the past producing McMillan gold mine in Mongowin Township. The Bass Lake Gold property was included in the property schedule for the June 14, 2021 LOI with MacFarlane Lake Mining.

DOHERTY LAKE PROPERTY – GOLD AND BASE METALS - ONTARIO

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

OTHER PROJECTS

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

JOLLY GOLD – NORTHWEST ONTARIO

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

The terms of the option agreement on the 9 claims grant the Company the option to earn a 100% interest in the optioned claims by issuing $175,000 in cash to the vendors ($25,000 paid) and by completing an aggregate of $250,000 in work expenditures over a 4-year period. If the Company vests its interest, the Vendors will retain a 2% NSR with Transition retaining the right to buy back 1% NSR for $500,000 and the remaining 1% NSR for an additional $1.5 million.

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

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

HIGHLAND GOLD - GOLD – CAPE BRETON, NOVA SCOTIA

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

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

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

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

Table: Highlight Results from Drilling at Highland Gold

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

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

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

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

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

BANCROFT (NI-CU-PGM's)

The Bancroft project is a greenfield exploration project that has seen the benefit of approximately $5.0 million in exploration expenditures. The property consists of approximately 3,833 hectares of mining claims located in the Southern Mining district near Bancroft, Ontario. In 2009, First Nickel announced the discovery of a new zone of PGM mineralization called ML North located in northeastern Raglan Township upon intersecting 5.05 metres grading 0.762 g/t Pt and 1.216 g/t Pd. In 2020 the Company completed an orientation biochemical survey over the ML-North PGM showing and other areas with similar magnetic features and completed a thorough review of the available geophysical results. This work has highlighted several prospective Ni-Cu-PGM targets. In October 2020, the Company assigned a 1% NSR on the project to Nova Royalties Corp.

ISLAND COPPER

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

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

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

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

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

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

DUNGARVON – TIN – NEW BRUNSWICK
During the reporting period this project was allowed to lapse.

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

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

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

Acquisitions costs and exploration costs incurred for the year ended August 31, 2020

	Project Generation Expenditures	Gowganda	Janice Lake	Saturday Night	Sunday Lake	Hele	Eva Kitto	Highland Gold	Maude Lake	Cryderman	Duntara	Foster	Aylmer	Dundonald	Wolleston	Other	Former Projects	Total
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Acquisition costs	17,808	-	-	-	-	-	4,500	8,080	-	11,123	-	46,500	13,800	-	4,950	832	-	107,593
Sale of property interest (including NSR)	-	-	(160,000)	-	-	-	-	-	-	-	-	(15,000)	-	-	-	-	-	(175,000)
Assays, core logging and sampling	1,942	-	-	-	-	-	-	3,103	-	12,929	-	-	-	-	-	5,543	-	23,517
Camps, accommodations, meals, travel	12,361	-	-	-	-	-	-	4,013	269	6,893	-	558	474	-	32,370	2,197	-	59,135
Drilling and Trenching	-	-	-	-	-	-	-	-	-	20,000	-	-	-	-	-	-	-	20,000
Geophysical, geochemical and geological	179,251	963	1,512	2,158	6,062	-	550	111,323	40	14,590	16,037	22,687	13,262	-	132,218	14,985	-	515,638
General and Administrative	2,346	80	-	908	-	355	626	1,824	1,004	1,522	458	1,370	821	891	1,185	10,280	-	23,670
Grant receipts and recoveries	-	(100,000)	(150,000)	-	-	-	-	(37,273)	-	-	-	-	-	-	-	-	-	(287,273)
Total additions (recoveries) for the year ended August 31, 2020	**213,708**	**(98,957)**	**(308,488)**	**3,066**	**6,062**	**355**	**5,676**	**91,070**	**1,313**	**67,057**	**16,495**	**56,115**	**28,357**	**891**	**170,723**	**33,837**	**-**	**287,280**

Acquisitions costs and exploration costs incurred for the year ended August 31, 2021

	Project Generation Expenditures	Gowganda	Janice Lake	Saturday Night	Sunday Lake	Hele	Eva Kitto	Highland Gold	Maude Lake	Cryderman	Duntara	Foster	Aylmer	Dundonald	Wolleston	Other	Former Projects	Total
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Acquisition costs	(2,000)	-	-	-	-	-	-	(3,000)	-	94,652	7,289	-	18,663	-	1,578	104,462	-	221,643
Sale of property interest (including NSR)	-	(135,995)	(1,060,000)	(62,500)	-	-	-	-	(62,500)	-	-	-	-	(125,000)	(75,000)	(762,875)	-	(2,283,870)
Assays, core logging and sampling	11,015	-	-	743	-	-	-	-	-	-	-	-	15,397		42,831	181,917	-	251,903
Camps, accommodations, meals, travel	34,453	-	-	-	14	-	528	7,500	2,827	19,128	1,142	(9,258)	50,921	211	11,822	250,559	-	369,848
Drilling and Trenching	-	-	-	-	-	-	-	-	-		-	-	-	-	-	105,416	-	105,416
Geophysical, geochemical and geological	96,645	14,400	-	453	1,992	-	1,258	-	1,791	20,718	2,105	266	84,190	602	33,954	469,670	-	728,044
Grant receipts and recoveries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(270,388)	-	(270,388)
Total additions (recoveries) for the year ended August 31, 2021	**140,113**	**(121,595)**	**(1,060,000)**	**(61,304)**	**2,006**	**-**	**1,786**	**4,500**	**(57,882)**	**134,498**	**10,536**	**(8,992)**	**169,170**	**(124,187)**	**15,185**	**78,762**	**-**	**(877,404)**

Cumulative exploration expenditures as at August 31, 2021

	Project Generation Expenditures	Gowganda	Janice Lake	Saturday Night	Sunday Lake	Hele	Eva Kitto	Highland Gold	Maude Lake	Cryderman	Duntara	Foster	Aylmer	Dundonald	Wolleston	Other	Former Projects	Total
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Acquisition costs - Opening balance, August 31, 2019	171,618	65,268	5,236	6,576	678,319	101,880	24,873	86,711	50,000	10,000	-	-	-	(25,948)	-	160,371	2,632,991	3,967,895
Additions	17,808	-	-	-	-	-	4,500	8,080	-	11,123	-	46,500	13,800	-	4,950	832	-	107,593
Sale of property interest (including NSR)	-	-	(160,000)	-	-	-	-	-	-	-	-	(15,000)	-	-	-	-	-	(175,000)
Acquisition costs - Opening balance, August 31, 2020	189,426	65,268	(154,764)	6,576	678,319	101,880	29,373	94,791	50,000	21,123	-	31,500	13,800	(25,948)	4,950	161,203	2,632,991	3,900,488
Additions	(2,000)	-	-	-	-	-	-	(3,000)	-	94,652	7,289	-	18,663	-	1,578	104,462	-	221,643
Sale of property interest (including NSR)	-	(135,995)	(1,060,000)	(62,500)	-	-	-	-	(62,500)	-	-	-	-	(125,000)	(75,000)	(762,875)	-	(2,283,870)
Acquisition costs - Ending balance, August 31, 2021	187,426	(70,727)	(1,214,764)	(55,924)	678,319	101,880	29,373	91,791	(12,500)	115,775	7,289	31,500	32,463	(150,948)	(68,472)	(497,210)	2,632,991	1,838,261
Exploration costs - Opening balance, August 31, 2019	3,405,560	389,694	180,825	148,803	1,815,292	1,080,269	48,229	248,100	4,268	3,986	18,577	-	-	(86,562)	-	250,774	4,224,634	11,732,449
Additions	195,900	1,043	1,512	3,066	6,062	355	1,176	120,263	1,313	55,934	16,495	24,615	14,557	891	165,773	33,005	-	641,960
Grant receipts and recoveries	-	(100,000)	(150,000)	-	-	-	-	(37,273)	-	-	-	-	-	-	-	-	-	(287,273)
Exploration costs - Opening balance, August 31, 2020	3,601,460	290,737	32,337	151,869	1,821,354	1,080,624	49,405	331,090	5,581	59,920	35,072	24,615	14,557	(85,671)	165,773	283,779	4,224,634	12,087,136
Additions	142,113	14,400	-	1,196	2,006	-	1,786	7,500	4,618	39,847	3,247	(8,992)	150,508	813	88,607	1,007,563	-	1,455,211
Grant receipts and recoveries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(270,388)	-	(270,388)
Exploration costs - Ending balance, August 31, 2021	3,743,573	305,137	32,337	153,065	1,823,360	1,080,624	51,191	338,590	10,199	99,767	38,319	15,623	165,065	(84,858)	254,380	1,020,954	4,224,634	13,271,959
Total cumulative costs - Ending balance, August 31, 2021	**3,930,999**	**234,410**	**(1,182,427)**	**97,141**	**2,501,679**	**1,182,504**	**80,564**	**430,381**	**(2,301)**	**215,541**	**45,608**	**47,123**	**197,527**	**(235,806)**	**185,908**	**523,744**	**6,857,625**	**15,110,220**

ASSOCIATE COMPANIES

CANADIAN GOLD MINER CORP.

As at August 31, 2021, the Company owns 15,000,100 common shares in Canadian Gold Miner Corp. ("CGM") being approximately 21% of the issued and outstanding shares. CGM is a private corporation exploring for gold in the Larder Lake Mining District near Kirkland Lake. The Company has assembled an exceptional land position totaling approximately 320 km^2 around the Cadillac Larder, Lincoln-Nipissing and Ridout structures in the southwestern part of the prolific Abitibi Greenstone belt in Ontario and is planning to go public in 2021 to early 2022. See the below table for the share of CGM's loss recognized under TMC.

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

SPC NICKEL CORP. (FORMERLY SUDBURY PLATINUM CORP)

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

On December 7, 2020, the SPC filed a preliminary prospectus to qualify, for distribution, 29,785,093 common shares of the SPC issuable for no additional consideration upon the exercise or deemed exercise of 29,785,093 Special Warrants. Concurrently, SPC filed a listing application for the common shares of the Company to be publicly traded on the TSX Venture Exchange.

On December 15, 2020 the Company announced that spinout company SPC Nickel ("SPC") had closed an over-subscribed non-brokered private placement which resulted in gross proceeds of $7,823,158 and filed a preliminary prospectus with the securities regulatory authorities in Ontario, Alberta and British Columbia in connection with an application to list its common shares (the "Common Shares") on the TSX Venture Exchange.

On February 24, 2021, Transition announced that its board of directors had declared a special dividend-in-kind of a portion of the common shares of SPC held by the Company to the Company's shareholders of record as of March 3, 2021. Each holder of the Company's common shares on the Record Date would receive 0.1 of an SPC share for each one Transition share held by the Transition shareholders to be paid on or about March 17, 2021. The Company recognized a realized gain on dividend-in-kind of $1,303,820 upon the declaration of the special dividend-in-kind. As a result of the declaration, a total of 5,678,132 shares of SPC were distributed by way of the dividend.

The Company recognized a realized loss on dividend payment of $1,303,820 upon the distribution of the special dividend-in-kind. Post dividend-in-kind distribution, Transition Metals retained approximately 9,321,868 SPC shares, representing about 9% of the outstanding shares of SPC.

Despite the result of the Company's reduced percentage of ownership, the investment in SPC was still classified as an investment in associate accounted for using the equity method due to its percentage of voting rights on the Board of SPC. See the below table for the share of SPC's loss recognized under TMC.

On March 8, 2021, SPC commenced trading on the TSX Venture Exchange under the ticker symbol SPC.V. Additional information regarding SPC can be obtained at www.spcnickel.com.

INVESTMENTS

A continuity of investment balances, and the resultant income statement impact, for the year ended August 31, 2021 and 2020 is as follows:

Continuity:

For the Year Ended August 31, 2021 and 2020	Equity Investment in SPC	Equity Investment in CGM	Marketable securities	Total
Balance as at August 31, 2019	**$1,959,473**	**$2,055,962**	**$490,583**	**$4,506,018**
Gain on dilution	148,354	-	-	148,354
Reversal of previously recognized impairment	553,727	-	-	553,727
Mark to market adjustments	-	(697,238)	1,780,600	1,083,362
Original cost on realized gains	-	-	(108,893)	(108,893)
Equity income (loss) pick up	(272,665)	(158,724)	-	(431,389)
Balance as at August 31, 2020	**2,388,889**	**1,200,000**	**2,162,290**	**5,751,179**
Share of loss for the period	(520,140)	(398,747)	-	(918,887)
Gain on dilution	277,964	6,650	-	284,614
Carrying value of shares distributed	(910,651)	-	-	(910,651)
Shares received through options	-	-	1,061,250	1,061,250
Purchase of marketable securities	-	-	20,000	20,000
Mark to market adjustments	-	-	2,402,243	2,402,243
Original cost on realized gains	-	-	(1,755,983)	(1,755,983)
Balance as at August 31, 2021	**$1,236,062**	**$807,903**	**$3,889,800**	**$5,933,765**

Income statement impact:

For the Year Ended August 31, 2021 and 2020	Realized gain on disposition	Equity accounting pick up	Gain on dilution	Unrealized gain	Total
Per above:					
Gain on dilution	$ -	$ -	$ -	$148,354	$148,354
Reversal of previously recognized impairment	-	-	-	553,727	553,727
Equity income (loss) pick up	-	(431,389)	-	-	(431,389)
Mark to market adjustments	-	-	-	1,083,362	1,083,362
Original cost on realized gains	(108,893)	-	-	-	(108,893)
Adjusted for:					
Proceeds on realized gains	113,751	-	-	-	113,751
Write-down on investments	-	-	-	(262,843)	(262,843)
Net amount recognized for 2020	**$4,858**	**$(431,389)**	**$ -**	**$1,520,600**	**$1,094,069**
Per above:					
Cost of dividend in kind	(910,651)	-	-	-	(910,651)
Equity income (loss) pick up	-	(918,887)	-	-	(918,887)
Mark to market adjustments	-	-	-	2,402,243	2,402,243
Original cost on realized gains	(1,755,983)	-	-	-	(1,755,983)
Gain on dilution	-	-	284,614	-	284,614
Adjusted for:					
Value of dividend-in-kind	2,214,471	-	-	-	2,214,471
Proceeds on realized gains	1,936,202	-	-	-	1,936,202
Net amount recognized for 2021	**$1,484,039**	**$(918,887)**	**$284,614**	**$2,402,243**	**$3,252,009**

DISCUSSION OF OPERATIONS

YEAR ENDED AUGUST 31, 2021, COMPARED TO YEAR ENDED AUGUST 31, 2020

During the year ended August 31, 2021 the Company had net income of $3,362,204 compared to $458,672 in the comparative period. The change is mainly due to the following:

Operating expenditures for the year ended August 31, 2021, were $151,990 compared to expenditures of $903,177 for the year ended August 31, 2020. The changes in the operating expenditures are mainly due to:

i. Total exploration recoveries for fiscal 2021 was $877,404 compared to exploration expenditures of $287,280 in fiscal 2020. During fiscal 2021 the Company spent $1,676,854 on property expenses compared to $650,553 in fiscal 2020. During the year the Company sold royalties on certain properties, received option payments, and other recoveries in the amount of $2,718,263 (August 31, 2020 – $363,273). During the year ended August 31, 2021, the Company recorded a recovery on exploration and evaluation assets of $164,005 (August 31, 2020 - $nil). See exploration section for more details.
ii. The Company also incurred stock-based compensation in the amount of $279,000 during 2021 compared to $nil in the prior period, as the Company issued 2,325,000 stock options in the current year.

Unrealized and realized gains on marketable securities during the year ended August 31, 2021, were $2,402,243 and $1,486,039, respectively compared to $1,520,600 and $4,858 in the prior year, respectively. The change in the realized and unrealized gain on marketable securities is due to changes in the underlying market price of the common shares.

During the year ended August 31, 2020, the Company recorded a write down on the investments in CGM of $697,238, the Company did not write down any investments during the year ended August 31, 2021.

During the year ended August 31, 2021, the Company recorded a gain on dilution in SPC and CGM and reversal of impairment in SPC of $284,614 compared to $702,081 in the prior period.

For the year ended August 31, 2021, the share of loss from equity investments was $918,887 compared to $431,389 for the year ended August 31, 2020.

As a result of the distribution in value of SPC, a gain on dividend-in-kind of $1, 303,820, and a loss on dividend payment of $1,303,820 were recognized for the year ended August 31, 2021.

All other operating expenses remained materially unchanged from the comparative year.

THREE MONTHS ENDED AUGUST 31, 2021, COMPARED TO THREE MONTHS ENDED AUGUST 31, 2020

During the three months ended August 31, 2021 the Company had a net loss of $999,293 compared to net income of $1,318,122 in the comparative period. The change is mainly due to the following:

Operating expenditures for the three months ended August 31, 2021, were $567,874 compared to $216,770 for the three months ended August 31, 2020. The changes in the operating expenditures are mainly due to:

i. Total exploration expenditures for the three months ended was $419,761 compared to exploration expenditures of $134,386 in the comparative period. During the three months ended, August 31, 2021 the Company spent $1,085,394 on property expenses compared to $309,386 in the comparative period. During the three months ended August 31, 2021, the Company sold royalties on certain properties, received option payments, and other recoveries in the amount of $829,638 (August 31, 2020 – $175,000). During the three months ended August 31, 2021, the Company recorded a recovery on exploration and evaluation assets of $164,005 (August 31, 2020 - $nil). See exploration section for more details.

During the three months ended August 31, 2020, the Company recorded a write down on the investments in CGM of $697,238, the Company did not write down any investments during the three months ended August 31, 2021.

During the three months ended August 31, 2021, the Company recorded a gain on dilution in SPC and CGM and reversal of impairment in SPC of $6,869 compared to $702,081 in the prior period.

For the three months ended August 31, 2021, the share of loss from equity investments was $113,266 compared to $148,662 for the three months ended August 31, 2020.

Unrealized losses and realized losses on marketable securities in the period were $29,266 and $481,435, respectively, compared to gains of $1,462,290 and $1,000 in the prior period, respectively. The change in the realized and unrealized gain on marketable securities is due to changes in the underlying market price of the common shares.

SELECTED ANNUAL FINANCIAL INFORMATION

For the Year Ended:	August 31, 2021 $	August 31, 2020 $	August 31, 2019 $
Operating recoveries (expenses) for the year	151,990	(903,177)	(1,079,188)
Net Income (loss) for the year	3,362,204	458.672	(1,721,723)
Income (loss) per share – basic	0.06	0.01	(0.04)
Income (loss) per share – diluted	0.06	0.01	(0.04)
Total Assets as at:	9,309,518	7,657,061	5,505,973
Total Liabilities as at:	381,092	346,693	227,969

QUARTERLY INFORMATION

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

For the three months ended and as at:	August 31, 2021	May 31, 2021	February 28, 2021	November 30, 2020
Operating recoveries (expenses)	$(567,874)	$(320,299)	$(362,599)	$1,098,782
Net (loss) income for the period	(999,293)	491,619	2,487,410	1,382,468
(Loss) income per share – basic and fully diluted	(0.02)	0.01	0.05	0.02
Total Assets	9,309,518	10,192,379	11,752,124	8,994,011
Total Liabilities	381,092	318,536	248,429	256,725

For the three months ended and as at:	August 31, 2020	May 31, 2020	February 28, 2020	November 30, 2019
Operating recoveries (expenses)	$(216,770)	$(150,496)	$(194,043)	$(341,868)
Net income (loss) for the period	1,318,122	(217,671)	(145,933)	(495,846)
Income (Loss) per share – basic and fully diluted	0.03	(0.00)	(0.00)	(0.01)
Total Assets	7,657,061	5,273,335	5,437,810	5,143,160
Total Liabilities	346,693	378,793	334,597	361,002

1) Net loss of $999,293 consisted mainly of: (i) operating expenses of $567,874, which included exploration and evaluation expenditures of $419,761; (ii) equity loss from associates of $113,266; (iii) loss on sale of marketable securities of $481,435; (iv) unrealized loss on investments of $29,266; (v) gain on dilution of $6,869.

2) Net income of $491,619 consisted mainly of: (i) operating expenses of $320,299, which included exploration and evaluation expenditures of $104,820; (ii) equity loss from associates of $354,504; (iii) gain on sale of marketable securities of $1,747,957; (iv) gain on dividend-in-kind of $1,303,820; (v) loss on dividend payment of $1,303,820; (vi) unrealized loss on investments of $859,609; (vii) gain on dilution of $277,745.

3) Net income of $2,487,410 consisted mainly of: (i) operating expenses of $362,599, which included exploration and evaluation recoveries of $170,229; (ii) share based compensation of $279,000; (iii) equity loss from associates of $251,142; (iv) gain on sale of marketable securities of $216,848; (v) unrealized gain on investments of $2,821,118.

4) Net loss of $1,382,468 consisted mainly of: (i) operating recoveries of $1,098,782, which included exploration and evaluation recoveries of $1,231,756; (ii) equity loss from associates of $199,975; (iii) gain on sale of marketable securities of $2,669; (iv) unrealized gain on investments of $470,000.

5) Net income of $1,318,122 consisted mainly of: (i) operating recoveries of $216,770, which included exploration and evaluation expenditures of $570,007; (ii) equity loss from associates of $148,662; (iii) gain on sale of marketable securities of $1,000; (iv) unrealized loss on investments of $1,462,290; (v) write down of investment in CGM of $697,238.

6) Net loss of $217,671 consisted mainly of: (i) operating recoveries of $150,496, which included exploration and evaluation recoveries of $30,184; (ii) equity loss from associates of $34,514; (iii) gain on sale of marketable securities of $822; (iv) unrealized loss on investments of $40,000.

7) Net loss of $145,933 consisted mainly of: (i) operating recoveries of $194,043, which included exploration and evaluation recoveries of $18,335; (ii) equity loss from associates of $65,876; (iii) gain on sale of marketable securities of $10,647; (iv) unrealized gain on investments of $98,310;

8) Net loss of $495,846 consisted mainly of: (i) operating recoveries of $341,868, which included exploration and evaluation expenditures of $201,413; (ii) equity loss from associates of $182,337; (iii) loss on sale of marketable securities of $7,611.

LIQUIDITY AND CAPITAL RESOURCES

CASH FLOWS

Operating activities were affected by net income of $3,362,204, non-cash adjustments of $3,913,248, and non-cash working capital items of $285,937.

Non-cash adjustments consisted of: property option payments received in shares of $1,061,250; realized gain on investments of $2,787,859; unrealized gain on fair value adjustment on investment of $2,402,243; gain on dilution of 284,614; offset by shares issued for property acquisitions of $98,325; amortization of $22,686; share-based payments of $279,000; loss on dividend payment of $1,303,820; and share of loss from equity investments of $918,887.

Non-cash working capital balances consisted of: an increase in amounts receivable of $256,644; an increase in prepaid expenses and other deposits of $63,579; an increase in restricted cash of $113; and offset by an increase in accounts payable and other liabilities of $34,399.

Cash flows from investing activities of $2,006,982 were affected by proceeds of $1,936,202 from the sale of marketable securities and a recovery on exploration and expenditure asset of $164,005, offset by purchase of marketable securities of $20,000, and purchase of equipment of $73,225.

Cash flows from financing activities of $93,000 were a direct result of proceeds received from the exercise of stock options.

During the year, the Company received $2,447,875 from the sale of royalties and option payments.

The Company also distributed an in-kind-dividend relating to the dilution of interest in SPC resulting in 5,678,132 SPC shares received at a value of $2,214,471.

The following financing activities were completed as follows:

Year ended August 31, 2021

The Company issued 625,000 shares based on the quoted market price for a total value of $98,325 in satisfaction of an exploration property option payments (see Note 10 of the Financial Statements).

The Company further issued 800,000 shares pursuant to the exercise of stock options at an average exercise price of $0.12.

Year ended August 31, 2020

On December 19, 2019 the Company closed a private placement resulting in the Issuance of 1,932,667 units at a price of $0.15 per unit, for proceeds of $289,900 and 994,500 flow-through common shares at a price of $0.18 per flow-through share, for proceeds of $179,010. Each unit consisted of one common share of the Corporation and one share purchase warrant. Each warrant entitles the holder to purchase one additional common share for a period of 24 months from closing at a price of $0.25. A finder's fee that consisted of a cash fee in the aggregate amount of $21,388, representing an aggregate commission of 6% of the units and flow-through shares sold to investors introduced by finders. All securities issued in connection with the private placement are subject to a four-month restricted resale period that expires on April 21, 2020.

On February 28, 2020, the Company issued 117,647 shares at $0.17 per share based on the quoted market price (total value of $20,000) in satisfaction of an exploration property option payment.

On May 15, 2020, the Company issued 50,000 shares at $0.18 per share based on the quoted market price (total value of $9,000) in satisfaction of an exploration property option payment.

On June 6, 2020, the Company completed a private placement financing consisting of 1,061,188 flow-through common shares for gross proceeds of $191,014 and 7,910,331 units for gross proceeds of $1,186,550. Each unit consist of one common share and one share purchase warrant Each warrant entitles the holder to purchase one common share for a period of two years, at a price of $0.22. The grant date fair value of $0.05 per warrant was estimated using the Black-Scholes option pricing model based on the following assumptions: expected life of 2 years, expected volatility of 100% based on comparative companies for an equivalent period, a risk-free interest rate of 0.02%, and an expected dividend yield of 0%. Agents were paid a cash fee of $21,388 and received 508,026 share purchase warrants valued at $0.05 using the same grant date value as the unit warrants issued. Management purchased 134,000 units valued at $24,130.

On August 31, 2021, the Company had cash of $2,807,171 (August 31, 2020 - $1,544,170). In addition, it had investments with a fair market value of $3,889, 800 (August 31, 2020 - $2,162,290). The Company's working capital (based on current assets minus current liabilities) was $6,766,343 on August 31, 2021 (August 31, 2020 - $3,489,894). In addition to the Company's positive working capital, Transition has several option agreements in place and in discussion which are estimated to potentially generate gross option payments more than $650,000 in 2022. These payments are subject to the optionee having sufficient funds available to meet the obligations and option terms of potential new options being approved. Transition monitors the outstanding amounts on an ongoing basis. The Company continues to negotiate option agreements and the potential sale of properties. The Company believes that based on the current cash and working capital position and its access to liquidity sources, it has sufficient resources readily available to meet its current exploration and corporate and administrative requirements for the next twelve months. See “Cautionary Note Regarding Forward-Looking Statements”.

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

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

DISCLOSURE OF OUTSTANDING SHARE DATA (AS AT DECEMBER 17, 2021)

The capital structure of Transition Metals is as follows:

Common Shares Issued	57,106,389
Options	4,105,000
Warrants	10,351,024
Fully diluted	71,562,413

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

Cash and Cash Equivalents

The Company considers all highly liquid short-term investments with maturity of three months or less to be cash equivalents. As of August 31, 2021, the Company had $2,807,171 in cash and $49,817 in restricted cash (August 31, 2020 - $1,544,170 in cash and in $49,704 cash equivalents)

Financial Instruments

	August 31, 2021		August 31, 2020	
Entity	**Number of Shares**	**Fair Value**	**Number of Shares**	**Fair Value**
Class 1 Nickel and Technologies Limited	1,179,000	$ 589,800	1,529,720	$ 1,147,290
Forum Energy Metals Corp.	6,000,000	2,310,000	7,000,000	1,015,000
Nova Royalty Corp.	300,000	990,000	-	-
Total		**$ 3,889,800**		**$ 2,162,290**

In connection with the disposition of securities of the above-noted companies, the Company realized a gain on sale of marketable securities during the current fiscal year of $1,486,039 (August 31, 2020 - $4,858).

The Company realized an unrealized gain on marketable securities during the current fiscal year of $2,402,243 (August 31, 2020 - $1,520,600). Unrealized gains or losses are recorded in the statement of comprehensive income. All financial instruments are initially recognized at fair value on the balance sheet. The Company has classified each financial instrument into one of the following categories: (1) financial assets or liabilities at fair value through profit or loss ("FVTPL"), (2) loans and receivables, (3) financial assets available-for-sale, (4) financial assets held-to-maturity, and (5) other financial liabilities. Subsequent measurement of financial instruments is based on their classification.

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

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

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

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

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

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

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

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

The following table illustrates the classification of the Company's financial instruments, measured at fair value in the statements of financial position as of August 31, 2021 and August 31, 2020 categorized into the levels of the fair value hierarchy.

August 31, 2020	**Level 1**	**Level 2**	**Level 3**	**Aggregate Fair Value**
Marketable securities	$2,162,290	$ -	$ -	$2,162,290
Restricted cash	-	49,704	-	49,704
Total	$2,162,290	$49,704	-	$2,211,994
August 31, 2021				
Marketable securities	$3,889,800	$ -	$ -	$3,889,800
Restricted cash	-	49,817	-	49,817
Total	**$3,889,800**	**$49,817**	**$ -**	**$3,939,617**

OFF-BALANCE SHEET ARRANGEMENTS

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

TRANSACTIONS WITH RELATED PARTIES

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

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

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

The remuneration of directors and key management of the Company for the periods ended August 30, 2021, and 2020 was as follows:

For the Year Ended August 31,	2021	2020
Short term benefits	$426,370	$302,269
Share based payments	228,000	-
	$654,370	$302,269

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

For the year ended August 31, 2021, $43,825 (August 31, 2020 – $34,100) of benefits were paid to the former CFO, $130,960 (August 31, 2020 – $82,193) was paid to the CEO, $138,265 (August 31, 2020 - $64,230) was paid to the Exploration Manager, and $113,320 (August 31, 2020 - $121,746) was paid to the COO.

On December 18, 2020, the Company granted 2,325,000 incentive stock options to directors, management and employees of the Company, exercisable at $0.155 per share for a period of 5 years. The grant date fair value of $0.12 per option was estimated using the Black-Scholes option pricing model based on the following assumptions: expected life of 5 years, expected volatility of 160%, expected dividend yield of 0%, and a risk free interest rate of 0.05% The options vested immediately. Management and directors were granted 1,900,000 incentive stock options.

Individuals granted stock options are shown below:

Name	Number of Options	Fair Value
CEO & Director	500,000	$60,000
COO	300,000	$36,000
Exploration Manager	150,000	$18,000
Former CFO	200,000	$24,000
Directors	750,000	$90,000
Total:	**1,900,000**	**$228,000**

Included in accounts payable and accrued liabilities as of August 31, 2021, is $109,762 (August 31, 2020 - $45,220) owing to officers and management of TMC. The amounts are unsecured, non-interest bearing, and are due on demand.

Included in amounts receivable as at August 31, 2021 is $4,879 (August 31, 2020 - $17,959) due from CGM. These amounts are unsecured, non-interest bearing and due on demand.

COMMITMENTS AND CONTINGENCIES

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

Flow-through Expenditures
The Company has indemnified the subscribers for any tax related amounts that become payable by the subscriber because of the Companies not meeting their expenditure commitments. As at August 31, 2021, all flow-through funds had been spent. As at August 31, 2021, the Company has no commitments regarding flow-through expenditures.

RISK FACTORS

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

Liquidity Concerns and Future Financings

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

Nature of Mining, Mineral Exploration and Development Projects

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

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

Development projects have no operating history upon which to base estimates of future cash operating costs. For development projects, reserve and resource estimates and estimates of cash operating costs are, to a large extent, based upon the interpretation of geologic data obtained from drill holes and other sampling techniques, and feasibility studies, which derive estimates of cash operating costs based upon anticipated tonnage and grades of ore to be mined and processed, ground conditions, the configuration of the ore body, expected recovery rates of minerals from the ore, estimated operating costs, anticipated climatic conditions and other factors. As a result, actual production, cash operating costs and economic returns could differ significantly from those estimated. Current market conditions are forcing many mining operations to increase capital and operating cost estimates. Indeed, there have been a number of mining operations that have ceased or been suspended or delayed because operation costs are estimated to be greater than projected prices of product. It is not unusual for new mining operations to experience problems during the start-up phase, and delays in the commencement of production often can occur.

No Revenues from Project Generation Activities

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

Licenses and Permits, Laws and Regulations

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

Mineral Commodity Prices

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

Investment price risk

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

Environmental

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

Title to Properties

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

Uninsured Risks

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

Competition

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

Dependence on Outside Parties

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

Conflicts of Interest

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

Litigation

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

COVID – 19

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

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

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

Dependence on Key Employees

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

Potential Dilution

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

Extreme volatility

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

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

RESPONSIBILITY FOR FINANCIAL STATEMENTS

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

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

INTERNAL CONTROLS

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

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

i. controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii. a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate.

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

RECENT ACCOUNTING PRONOUNCEMENTS

Standards adopted in the current year

IAS 1 – Presentation of Financial Statements ("IAS 1") and IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8") were amended in October 2018 to refine the definition of materiality and clarify its characteristics. The revised definition focuses on the idea that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The adoption of this standard had no material impact on the Company.

IFRS 3 – Business Combinations ("IFRS 3") was amended in October 2018 to clarify the definition of a business. This amended definition states that a business must include inputs and a process and clarified that the process must be substantive and the inputs and process must together significantly contribute to operating outputs. In addition it narrows the definitions of a business by focusing the definition of outputs on goods and services provided to customers and other income from ordinary activities, rather than on providing dividends or other economic benefits directly to investors or lowering costs and added a test that makes it easier to conclude that a company has acquired a group of assets, rather than a business, if the value of the assets acquired is substantially all concentrated in a single asset or group of similar assets. The amendments were effective for annual reporting periods beginning on or after January 1, 2020. The adoption of this standard had no material impact on the Company.

Standards to be adopted

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

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

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

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