



MANAGEMENT'S DISCUSSION AND ANALYSIS

Quarterly Highlights

Three months ended May 31, 2021

SPHINX RESOURCES LTD.

Management’s Discussion and Analysis – Quarterly Highlights

Three months ended May 31, 2021

This Management’s Discussion and Analysis – Quarterly Highlights (“MD&A Highlights”) of the financial position and results of operations reviews the activities, results of operations and financial position of Sphinx Resources Ltd. (“Sphinx” or the “Corporation”) for the three months ended May 31, 2021 (“Q1-22”), together with certain trends and factors that are expected to have an impact in the future. This MD&A Highlights should be read in conjunction with the Corporation’s condensed interim financial statements as at May 31, 2021 prepared in accordance with the International Financial Reporting Standards (“IFRS”), as well as with the management discussion and analysis for the year ended February 29, 2021. All dollar amounts are expressed in Canadian dollars, the functional currency of the Corporation, unless otherwise stated.

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

Abbreviation	Period
Fiscal 2021	March 1, 2020 – February 28, 2021
Q1-21	March 1, 2020 – May 31, 2020
Q2-21	June 1, 2020– August 31, 2020
Q3-21	September 1, 2020 – November 30, 2020
Q4-21	December 1, 2020 - February 29, 2021
Fiscal 2022	March 1, 2021 – February 29, 2022
Q1-22	March 1, 2021 – May 31, 2021
Q2-22	June 1, 2021– August 31, 2021
Q3-22	September 1, 2021 – November 30, 2021
Q4-22	December 1, 2021 - February 29, 2022
Fiscal 2023	March 1, 2022 – February 29, 2023

The technical information contained in this MD&A has been reviewed and verified by Sphinx’s Director and interim CFO, Pierre-André Viens, P.Eng., CFA, MBA, M.Sc. who is a qualified person for the purpose of National Instrument 43-101, Standards of Disclosure for Mineral Projects.

1. NATURE OF ACTIVITIES

Sphinx was incorporated on June 28, 2005 and is governed by the *Canada Business Corporations Act*. The Corporation is a reporting issuer in Alberta, British Columbia, Ontario and Québec and its shares are listed on the TSX Venture Exchange (the “Exchange”) under the symbol SFX. The Corporation is engaged in the acquisition, exploration and development of mineral projects in Québec, Canada.

2. OVERVIEW AND HIGHLIGHTS

Sphinx is a mineral exploration company that focuses its activities in southwestern Quebec in search of deposits of precious metals (palladium, platinum, gold and silver) and base metals (zinc, copper, lead). Sphinx is particularly active in the MRC Pontiac where its President and Chief Executive Officer resides. It has a strong local shareholding that contributes towards social acceptability.

SPHINX RESOURCES LTD.

Management's Discussion and Analysis – Quarterly Highlights

Three months ended May 31, 2021

3. EXPLORATION PROJECTS

For mineral exploration projects that have not reached technical feasibility, exploration and evaluation expenditures are charged to operations as they are incurred. The Corporation's exploration and evaluation expenditures incurred are as follows:

	Q1-22	Q1-21
	\$	\$
Calumet-Sud		
Geology	9,602	7,133
Recharge to partner	(188)	(1,754)
Tax credits	(2,401)	(1,506)
	7,013	3,873
Calumet-Nord		
Project acquisition and maintenance	469	171
Geology	131	368
Tax credits	(37)	(103)
	563	436
Green Palladium		
Geology	425	-
Tax credits	(119)	-
	306	-
New Calumet Mine project		
Project acquisition and maintenance	716	-
Share issuance	150,000	-
Geology	3,263	-
Tax credits	(913)	-
	153,066	-
Soufflot		
Project acquisition and maintenance	-	363
Geology	-	333
Tax credits	-	(93)
	-	603
Total		
Project acquisition and maintenance	1,185	534
Share issuance	150,000	-
Geology	13,421	7,834
Recharge to partner	(188)	(1,754)
Tax credits	(3,470)	(1,702)
Total exploration and evaluation expenditures	160,948	4,912

SPHINX RESOURCES LTD.

Management's Discussion and Analysis – Quarterly Highlights

Three months ended May 31, 2021

3. EXPLORATION PROJECTS (CONT'D)

3.1 New Calumet Mine project

On March 8, 2021, the Corporation signed an agreement with Golden Calumet Exploration Ltd and Geotest Corporation, to acquire 100% of 14 claims in Pontiac District, for consideration consisting of 7,500,000 common shares (valued at \$150,000) and a 1% NSR royalty, subject to a buyback option for \$1,000,000. The buyback option will be indexed for cost of living starting January 1, 2022.

4. RESULTS OF OPERATIONS

In Q1-22, the Corporation reported a loss of \$231,100 (\$61,764 in Q1-21). See Section 3.1 which explains the main variance in loss, following the issuance of 7,500,000 valued at \$150,000.

General and administration expenses details are as follows:

	Q1-22	Q1-21
	\$	\$
Directors' fees	8,500	14,000
Filing and transfer agent fees	5,279	2,155
Management fees	18,713	18,113
Office and miscellaneous	1,244	6,238
Professional fees	16,931	5,480
Promotion	1,528	7,487
Salaries and benefit	24,977	23,769
Governmental grants	(11,104)	(4,166)
Share-based payments	2,704	4,554
Travel	-	744
General and administration	68,772	78,374

July 22, 2021

(s) Jeremie Ryan

Jeremie Ryan
Chief Executive Officer

(s) Pierre-André Viens

Pierre-André Viens
Chief Financial Officer