Namibia Critical Metals Inc.

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED NOVEMBER 30, 2020 AND 2019

NAMIBIA CRITICAL METALS INC.

Namibia Critical Metals Inc.

Management's Discussion and Analysis

Year ended November 30, 2020

NAMIBIA CRITICAL METALS INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

This management's discussion and analysis of the financial condition and results of operations ("MD&A") of Namibia Critical Metals Inc. (the "Company") is dated March 24, 2021 and provides an analysis of the Company's financial results and progress for years ended November 30, 2020 and 2019. This MD&A should be read in conjunction with the Company's audited consolidated financial statements for the years ended November 30, 2020 and 2019 and related notes thereto, which were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations of the IFRS Interpretations Committee ("IFRIC"). All amounts are expressed in Canadian dollars unless otherwise noted.

This discussion includes certain statements that may be deemed "forward-looking statements". All statements in this discussion, other than statements of historical fact, that address exploration drilling, exploitation activities and events or developments that the Company expects, are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration results, continued availability of capital and financing and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. The information contained herein is subject to change and the Company does not assume the obligation to revise or update these forward-looking statements, except as may be required under applicable securities laws.

Donald M. Burton, P.Geo. and President of the Company, is the Company's Qualified Person and has reviewed and approved the technical information disclosed in this MD&A.

Overall Performance

The Company is engaged in the exploration for critical metals in Namibia through its 100% owned subsidiary, Namibia Rare Earths (Pty) Ltd., a Namibian company ("Namibia Pty") and its 95% interest in nine additional Namibian subsidiaries acquired from Gecko Namibia (Pty) Ltd through the Company's Cayman subsidiary, Cayman Namibia Rare Earths Inc. on February 21, 2018. Since incorporation in 2004, Namibia Pty has established a presence in Namibia and has applied for and been granted a number of exclusive prospecting licenses.

The major focus of the Company's activities from 2010 to February 2018 had been the Lofdal Heavy Rare Earths Project. Following the transaction with Gecko Namibia, a focus was placed on the Kunene Cobalt-Copper Project throughout 2018-2019. In 2020 the Company focused on further development of the Lofdal project with its joint venture with JOGMEC and also on initial exploration of its gold properties in Namibia.

The Lofdal property is the Company's most advanced project and comprises an exclusive prospecting license ("EPL 3400") located approximately 450 kilometers northwest of the capital city of Windhoek and 25 kilometers northwest of the town of Khorixas in the Kunene Region of north-western Namibia. The Lofdal property covers a total area of 314 square kilometers centered on the Lofdal carbonatite complex, a regional geological feature known to be associated with numerous occurrences of rare earth mineralization hosted by carbonatitic dykes, dyke swarms and to a lesser extent by intrusive plugs.

EPL 3400, which provides for mineral rights to base and rare metals, and precious metals, was originally granted in 2005. It was renewed by the Government of Namibia on May 14, 2019 for a two-year period to May 14, 2021. A renewal application for EPL 3400 for a further 2 years was submitted to the Ministry of Mines and Energy. In November 2016, the Company submitted an application to the Ministry of Mines and Energy for a Mining License. In December of 2020 the Company received a Notice of Preparedness to Grant Application for Mining Licence from Ministry of Mines and Energy.

The property is subject to a 2% net smelter revenue royalty in addition to royalties payable to the Government of Namibia. The Company released an initial mineral resource estimate on Area 4 of the Lofdal Rare Earths Project in September 2012. In May 2014, the Company initiated a Preliminary Economic Assessment ("PEA") on the Lofdal Rare Earths Project, which was released on November 13, 2014 and effective October 1, 2014.

In the third quarter of 2015, the Company initiated an Environmental Impact Assessment ("EIA") which was completed in the third quarter of 2016 and was submitted to the Ministry of Environment and Tourism in support of the Company's application to the Ministry of Mines and Energy for a Mining License. On December 18, 2017 the Company received Environmental Clearance Certificates and approvals for proposed mine site infrastructure, power and water line corridors for the Lofdal property. The certificates were valid to December 5, 2020. The Company applied for renewals in November 2020.

On February 21, 2018 the Company completed the acquisition of six critical metal properties in Namibia from Gecko Namibia (Pty). This transaction provides Namibia Critical Metals with a highly prospective, diversified portfolio of critical metals (Figure 1) and at the same time has secured a highly experienced strategic partner.

Gecko Namibia and its subsidiaries are substantial participants in the Namibian resource sector with a proven track record in the mining industry. The portfolio of properties acquired from Gecko Namibia has expanded the Company's commodity interest from solely heavy rare earths to a variety of highly critical commodities which currently includes gold, cobalt, copper, lead, zinc, nickel, vanadium, tantalum and niobium. Current ground holdings are summarized in Table 1.

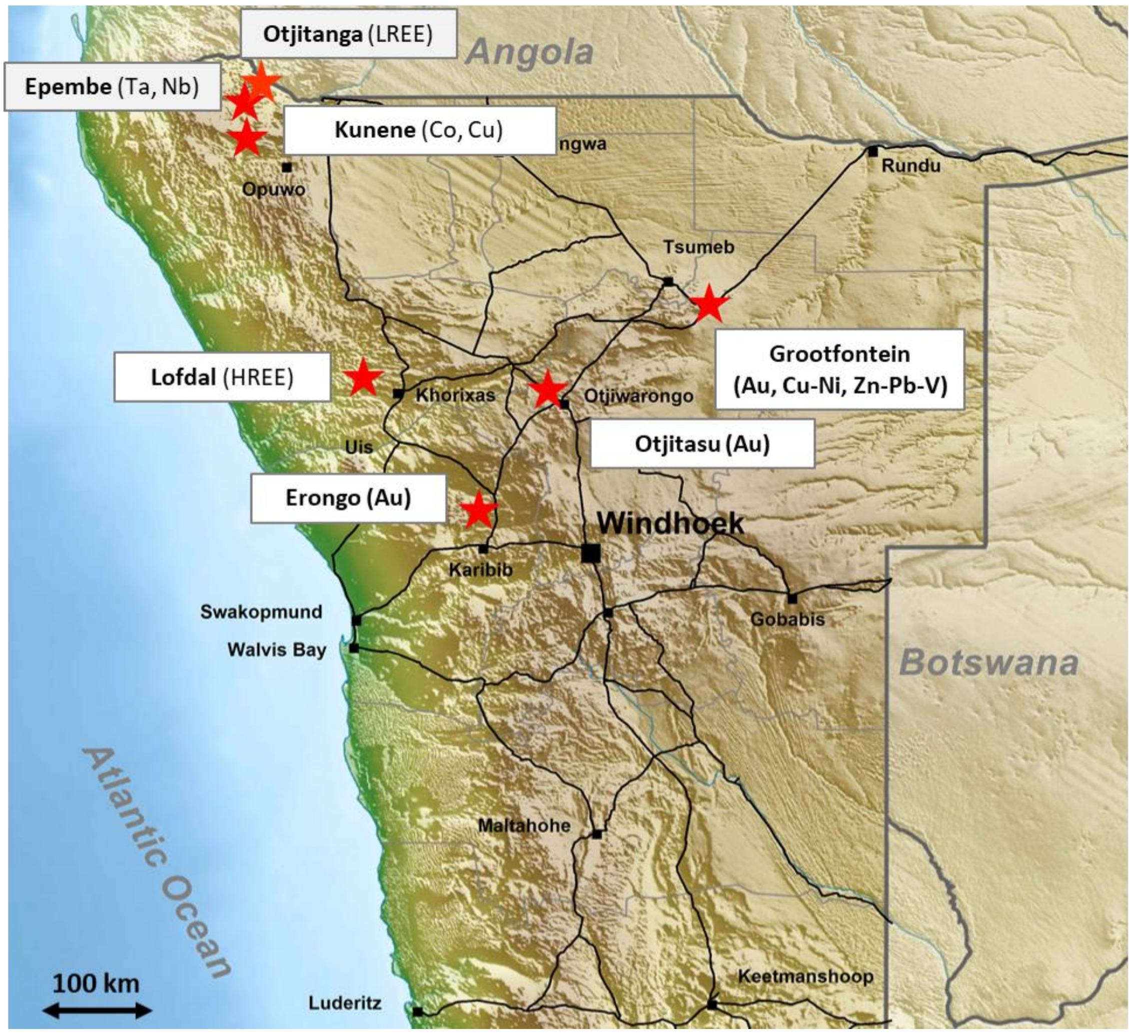


Figure 1 – *Location of NCMI's critical metals projects*

Table 1 – *Summary of Namibia Critical Metals Project Portfolio*

EPL = Exclusive Prospecting Licence; ML = Mining Licence; MDRL = Mineral Deposit Retention License

#	License	Subsidiary company	Project	Size (km^2)
1	EPL3400	Namibia Rare Earths (Pty) Ltd.	Lofdal	314
2	EPL3825	Solarwind Investments (Pty) Ltd.	Kunene	368
3	EPL4347	Kunene Resources Namibia (Pty) Ltd.	Kunene	303
4	EPL 4136	Kunene Resources Namibia (Pty) Ltd.	Kunene	161
5	EPL5601	Kunene Resources Namibia (Pty) Ltd.	Kunene	111
6	EPL5773	Kunene Resources Namibia (Pty) Ltd.	Kunene	511
7	EPL5847	Kunene Resources Namibia (Pty) Ltd.	Otjitazu	69
8	EPL5885	Kunene Resources Namibia (Pty) Ltd.	Kunene	783
9	EPL5992	Kunene Resources Namibia (Pty) Ltd.	Grootfontein	977
10	EPL6440	Gecko Gold Mining (Pty) Ltd.	Erongo	337
11	EPL6561	Kunene Resources Namibia (Pty) Ltd.	Grootfontein	661
12	EPL6903	Kunene Resources Namibia (Pty) Ltd.	Kunene	34
13	EPL7115	Philco One Hundred and Eighty (Pty) Ltd	Marienfluss	540
14	MDRL3299	Gazania Investments Twenty-Five (Pty) Ltd.	Epembe	57
				5,226

Lofdal Rare Earths Project Development Strategy

There is a fundamental risk in taking any resource project from grass roots exploration through to production. This level of risk is heightened in the rare earth sector due in large part to the complexity of the metallurgy and the lack of operators with rare earth processing knowledge and expertise. The Company has openly sought a qualified strategic partner that could bring mining and processing expertise to the table and this has been achieved through the transaction with Gecko Namibia. More recently the Company has brought strong financial backing to the project through a joint venture agreement with Japan Oil, Gas and Metals National Corporation ("JOGMEC").

The project has been taken from discovery in 2011, through to 43-101 mineral resource in 2012 and Preliminary Economic Assessment ("PEA") in 2014. A full copy of the PEA is available on SEDAR at www.sedar.com. The MDM Group of South Africa was the principal consultant for the report which provided an economic analysis of the potential viability of the current resources at Lofdal at then projected rare earth prices. Rare earth prices have significantly declined since 2014 and the viability of the project is dependent in part upon improved pricing for the target oxides of dysprosium, terbium and yttrium. Most recently rare earths prices gained significantly due to the increased demand for electric vehicles and wind turbines.

MDM was assisted by MineTech International Limited of Canada for pit optimization, mine planning and operations, and The MSA Group of South Africa for mineral resource estimates. **The PEA should not be considered to be a pre-feasibility or feasibility study, as the economics and technical viability of the Project has not been demonstrated at this time. The PEA is preliminary in nature and includes Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves. Furthermore, there is no certainty that the PEA will be realized.**

Since 2013, the Company has focused on optimizing the metallurgical flowsheet and completing an Environmental Impact Assessment ("EIA") to support an application for a Mining Licence which was submitted in 2016. The Company received Environmental Clearance Certificates from the Ministry of Environment and Tourism in late 2017. The Environmental Clearance Certificates were valid to December 5, 2020, and a renewal application was submitted to the Ministry of Environment and Tourism. The Mining Licence application remains under review with the Ministry of Mines and Energy.

Regional Assessment of Rare Earths Potential

The first systematic exploration for rare earths over Lofdal was initiated by Namibia Pty in 2008. In 2011 the Area 4 heavy rare earth deposit was discovered and since that time exploration results have demonstrated the occurrence of rare earth mineralization on a district scale (Figure 2).

Rare earth mineralization at Lofdal is hosted in carbonatite dykes, structural zones and plugs exhibiting grades between 0.2-3% total rare earths oxides ("TREO" which includes yttrium oxide) and often exhibiting exceptional heavy rare earth ("HREE") enrichment greater than 50%. Rare earth deposits containing greater than 10% heavy rare earths oxides ("HREO") can be considered to be enriched in heavy rare earths. The more significant mineralized structures have associated alteration haloes which can carry anomalous concentrations of rare earth elements.

The Company uses classification nomenclature which considers heavy rare earths comprising europium (Eu), gadolinium (Gd), terbium (Tb), dysprosium (Dy), holmium (Ho), erbium (Er), thulium (Tm), ytterbium (Yb), lutetium (Lu) and yttrium (Y). Light rare earths comprise lanthanum (La), cerium (Ce), praseodymium (Pr), neodymium (Nd) and samarium (Sm). "Heavy rare earth enrichment" is the ratio of HREO:TREO, expressed as a percentage.

Mineralization at Area 4 is associated with large scale hydrothermal systems rather than primary magmatic emplacement as discrete dykes. Many of the larger, lower grade "dykes" previously mapped on surface are in fact alteration zones associated with these systems which in some areas significantly increases the strike and width potential of the heavy rare earth exploration target.

There are two intrusive carbonatite bodies on the property. The Main Intrusion is an early stage calcitic ("sovite") body some two kilometers in strike length which does not carry significant amounts of rare earths but has potential for niobium and uranium mineralization. The smaller Emanya plug is some 350 meters in diameter in outcrop and carries anomalous concentrations of rare earths typically in the range of 0.2-1% TREO but is not enriched in heavy rare earths.

Detailed mineralogical studies have confirmed that the principal heavy rare earth mineral at Lofdal is xenotime. The potential ore mineral assemblage in Area 4 is dominated by xenotime and subordinate zircon ± generally minor amounts of aeschynite, bastnasite group minerals (including synchysite-Y), thorite, and unidentified phases (Ca-Y silicate and Th-Zr silicate). In samples with high thorium content (2,000-4,000 ppm) the potential ore mineral assemblage is dominated by xenotime and thorite. It should be noted that the average thorium content of the Area 4 deposit is only 326 ppm.

Grain size and habit are variable with ore minerals being generally fine- to very fine-grained with much of the potential ore minerals averaging 15-20 microns but locally reaching up to 150 microns.

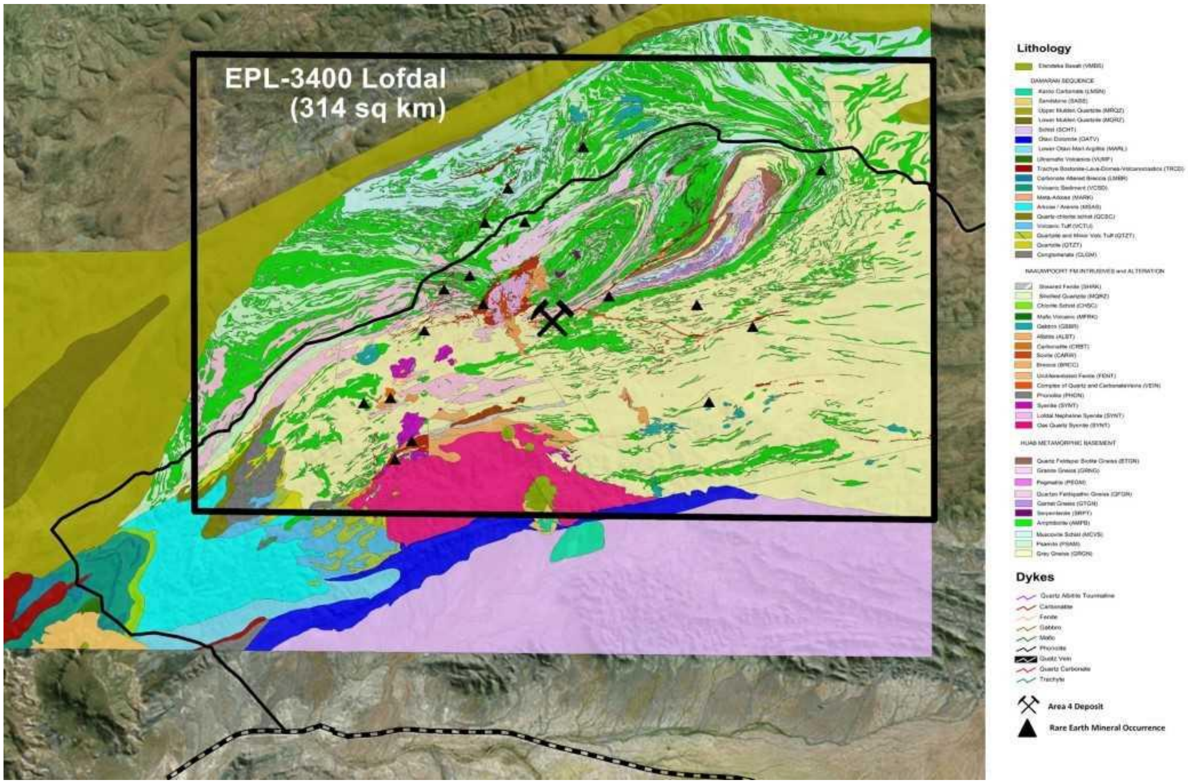


Figure 2 – *General geology of EPL 3400 showing the location of the Area 4 Deposit in center and other rare earth occurrences*

Lofdal Area 4 Mineral Resource Estimate

In September 2012, the Company released an initial mineral resource estimate for Area 4 of the Lofdal Rare Earths Project as set out in the technical report "*NI 43-101 Technical Report and Mineral Resource Estimate for Area 4 of the Lofdal Rare Earth Element (REE) Project, Khorixas District, Republic of Namibia*" dated October 29, 2012 (the "Lofdal Initial Resource Report") a full copy of which is available on SEDAR at www.sedar.com.

On November 13, 2014 the Company released a Preliminary Economic Assessment of Area 4 at Lofdal. Based on metallurgical outcomes, the PEA utilized the initial mineral resource estimate for the Area 4 deposit at a cut-off grade of 0.1% total rare earth oxides ("TREO") which provides 2.88 Mt of indicated mineral resources yielding 9,230 t of REO, of which 7,050 t are estimated to be heavy rare earth oxides ("HREO") and 3.28 Mt of inferred mineral resources yielding 8,970 t of REO, of which 6,700 t are estimated to be HREO (Table 2). The remainder of the REO is made up of light rare earth oxides ("LREO").

Although mineral resource grades (% TREO) are relatively low, the high levels of heavy rare earth enrichment can provide significant tonnages of contained heavy REOs. The main elements of interest from the Area 4 mineral resource are europium, terbium, dysprosium and yttrium (with yttrium and dysprosium being the most abundant). Based on the REO distributions, these four elements are the most valuable in the deposit.

TABLE 2 - *In-Situ Mineral Resources[1] for the Area 4 Deposit within the >0.1% TREO Envelope*

In-situ Indicated Mineral Resource

Cut-Off %TREO	Tonnes million	LREO %	HREO %	TREO %	REO Tonnes	HREO Proportion
0.1	2.88	0.08	0.24	0.32	9,234	76.3%

In-situ Inferred Mineral Resource

Cut-Off %TREO	Tonnes million	LREO %	HREO %	TREO %	REO Tonnes	HREO Proportion
0.1	3.28	0.07	0.20	0.27	8,973	74.7%

[1] *Mineral resources which are not mineral reserves do not have demonstrated economic viability*

Area 4 Preliminary Economic Assessment

The Company released a PEA on Area 4 of Lofdal on November 13, 2014. The PEA concludes that the Lofdal Rare Earth Project currently has the potential to produce an average of 1,500 tonnes per annum of separated rare earth oxides ("REO"). Total capital costs were estimated at US$162,935,000 and operating costs were estimated at US$54.55/kg TREO produced or US$91.99/tonne mined.
The PEA indicates that there is considerable potential to expand the current mineral resource and recommends that additional drilling be carried out to provide for an extended mine life in conjunction with a six-month Prefeasibility Study ("PFS") program. Since the time of publication of the PEA rare earth prices have significantly declined and the viability of the project will be dependent in part, on improved rare earth prices particularly for the target oxides of dysprosium, terbium and yttrium. Capital and operating costs will also have to be confirmed given the time that has elapsed since preparation of the PEA.

The PEA should not be considered to be a pre-feasibility or feasibility study, as the economics and technical viability of the Project has not been demonstrated at this time. The PEA is preliminary in nature and includes Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves. Furthermore, there is no certainty that the PEA will be realized.

Environmental Impact Assessment

The Environmental Impact Assessment ("EIA") process was conducted over an eighteen-month period under the supervision of SLR Environmental Consulting (Namibia) (Pty) Limited ("SLR Namibia"). SLR is an international environmental consultancy with an expanding network of offices in Europe, North America, Asia-Pacific and Africa with 1,100 employees. SLR Namibia has been associated with significant mine development projects in Namibia including Swakop Uranium (Husab uranium mine), Paladin Energy (Langer Heinrich uranium mine) and B2 Gold (Otjikoto gold mine).

The EIA covers all aspects of mining and mineral processing through to the production of a xenotime mineral concentrate at site. The EIA was submitted to the Ministry of Environment and Tourism in June 2016 and on December 18, 2017 the Company received Environmental Clearance Certificates ("ECC") and approvals for proposed mine site infrastructure, power and water line corridors for the Lofdal property. The ECC was issued for an initial three period of validity and a renewal application was timeously submitted to the Ministry of Environment and Tourism.

An ECC is required as part of the process for the granting of a Mining Licence in Namibia. The EIA submission included the provision of Environmental Management Plans ("EMP") for mine site activities and the construction and maintenance of power and water pipeline services to the mine site. Detailed reports were compiled with the assistance of nine expert agencies related to groundwater, surface water, geochemistry, socio-economic, air quality, noise, avifauna, vertebrate, invertebrate, archaeological, radiological and visual impact assessments. Public and community consultations were held as part of the EIA process.

Baseline monitoring equipment and programs were implemented in 2015 for the collection of all required meteorological and radiometric data for the EIA. This work comprised a groundwater monitoring program together with meteorological and air quality data collection. Collection of further baseline data was suspended in 2018 and will resume as required for development of the project.

Metallurgical Studies

The PEA provided an economic assessment of the project based on the beneficiation of the Lofdal run-of-mine feed to 20% TREO mineral concentrate grade with an overall recovery of 64%. Beneficiation comprised upfront coarse crush and sorting with x-ray transmission sorters followed by fine grinding to magnetic separation, flotation and gangue acid leaching. This mineral concentrate would then be subjected to "cracking" in a hydrometallurgical plant to remove thorium and uranium to provide an acceptable mixed rare earth oxide product for separation.

Test work at Mintek in South Africa and at Nagrom in Australia has indicated the sensitivity of the flow sheet to increased levels of ankerite (iron carbonate), which can diminish the effectiveness of the magnetic separation stage. The distribution of ankerite within the deposit is not clearly defined, however there appear to be some confined ankerite-rich zones in the upper parts of the deposit. Additional sample of selected ankerite-rich mill feed was therefore provided to Nagrom to produce sufficient magnetic concentrate for further flotation tests on this problematic aspect of the mineralogy.

Kyspy Investments Pty. of Australia conducted flotation test work on the ankerite-rich sample which indicated that 73.1% of the TREO could be recovered into three separate concentrates (sulphide, carbonate recleaner and xenotime recleaner concentrates). Further investigations are recommended to optimize the selective flotation of xenotime in the presence of carbonates. The Company has initiated further studies into the optimization of ore sorting technologies. The objective is to develop a robust flow sheet that can mitigate fluctuations in ankerite/calcite ratios in the gangue.

The PEA considered the use of XRT sorters based on results from tests carried out by Tomra in Germany on HQ diameter core samples.

Subsequent test work on Lofdal samples provided to RADOS in South Africa has confirmed the potential of XRF sorting to effectively upgrade run of mine at a cut-off of 0.1% TREO. This offers the potential to consider primary XRF sorting or to use XRF sorting as a scavenger following XRT sorting which has demonstrated a potential for 90% recovery of the rare earths. The PEA also recommended that a larger bulk sample be collected to provide a more representative sample. An 18 t bulk sample of representative material from surface covering the 600 meter strike length of the 43-101 Area 4 resource was collected in 2018. This sample was transported to Light Deep Earth in Pretoria for sample preparation for a metallurgical test work program. Sorting tests on bulk sample have been completed by Rados using XRF sorting technology and by IMS using XRT sorting technology. Preliminary results from both technologies are positive and final reports from the respective consultants are pending.

Potential to Expand Resources at Lofdal

At Area 4 the potential to expand resources at depth has already been demonstrated by previous exploration drilling which has intersected the mineralized structure to a vertical depth of over 300 meters. Trenching to the west of the existing resource demonstrated the potential to extend the strike length of Area 4 mineral resource an additional 200-300 meters. As discussed below, this has been confirmed by drilling.

There are a number of other rare earth occurrences on EPL 3400. The most significant occurrences in terms of heavy rare earth enrichment are found in Area 5 and the Northern Splay. Exploration drilling was carried in Area 5 in 2011 but no definitive resources have been estimated. Mineralization at the Northern Splay is very similar in tenure and character to that seen in Area 4 and has been mapped over a strike length of nearly 700 meters. This exploration target together with the Dolomite Hill exploration target have been tested as part of the Term 1 program with JOGMEC. While the mineralised zones could be confirmed at both of those prospects, higher grade mineralisation occurred only in relatively narrow and discontinuous mineralised zones. Additional drilling was recommended for Area 2B which is situated 3 kilometers northwest of Area 4. As discussed below, this drilling has confirmed the potential for additional mineral resources at Area 2B.

Partnership with JOGMEC on Lofdal

On January 27, 2020 the Company announced that it had signed an agreement with Japan Oil, Gas and Metals National Corporation ("JOGMEC") to jointly explore, develop, exploit, refine and/or distribute mineral products from Lofdal. The agreement provides JOGMEC with the right to earn a 50% interest in the project by funding $20,000,000 in exploration and development expenditures under the following terms:

> Term 1 – JOGMEC will fund $3,000,000 in exploration expenditures up to March 31, 2021. The first term funding amount is non-refundable and JOGMEC earns no interest in the Lofdal project;
>
> Term 2 – JOGMEC is entitled to elect to contribute an additional $7,000,000 in exploration expenditures from April 1, 2021 – March 31, 2024 to earn a 40% interest in the Lofdal project;
>
> Term 3 – JOGMEC is entitled to elect to contribute an additional $10,000,000 in exploration and development expenditures from April 1, 2024 – March 31, 2028 to earn an additional 10% interest in the Lofdal project.

Once JOGMEC has completed and exercised its 50% earn-in and a feasibility study has been completed on the project, JOGMEC has the right to purchase an additional 1% interest in the project from the Company for $5,000,000 and thereafter to exclusively provide funding to develop the project subject to the Company's interest in the Project not being diluted below 26%.

JOGMEC is a Japanese government independent administrative agency which among other things seeks to secure stable resource supply for Japan. JOGMEC has a strong reputation as a long term, strategic partner in mineral projects globally. The mandated areas of responsibilities within JOGMEC relate to oil and natural gas, metals, coal and geothermal energy. JOGMEC facilitates opportunities with Japanese private companies to secure supply of natural resources for the benefit of the country's economic development.

Rare earths are of critical importance to Japanese industrial interests and JOGMEC has extensive experience with all aspects of the sector. JOGMEC provided Lynas Corporation with US$250,000,000 in loans and equity in 2011 to ensure supplies of these crucial metals from the Mount Weld Project in Australia to Japanese industry.

Japan is the most important consumer of dysprosium outside of China. Adamas Intelligence estimates that from 2013 through 2017 China produced 98% of the global supply of dysprosium and was responsible for approximately 90% of global dysprosium oxide (or oxide equivalent) consumption each year. Japan was responsible for 9% of global consumption and other nations (including the United States) for 1%. With 2017 dysprosium production estimated at 1,500 tonnes, Japanese consumption is estimated at 160 tonnes per annum.

Work Program with JOGMEC

Under terms of the agreement, JOGMEC has committed to a firm, non-refundable $3,000,000 work program with the objective of doubling the current mineral resource size through the provision of 7,700 meters of diamond drilling at Area 4. The program will also investigate two exploration targets outside of Area 4 with 1,500 m of diamond drilling and will further investigate optimization of the processing flow sheet with specific metallurgical test programs. JOGMEC also retains the right to accelerate spending and in this regard has increased the Term 1 budget amount to $4,100,000 which provided for additional drilling in Area 2B.

The initial focus of the metallurgical program has been on XRT and XRF sorting using the 18 tonne representative sample that has been prepared by Light Deep Earth at their test facility in South Africa. Sorter tests were conducted by Rados International using a Rados XRF sorter and by IMS Engineering using a Steinert XRT sorter. Products generated from this first step test work are being utilized for subsequent process stage test work.

i) Progress on Drilling Program

Drill target areas identified at Lofdal for resource development are shown in Figure 3. Drilling in Term 1 has focused on extending the mineral resource in Area 4 and confirming the resource potential in Area 2B. Reconnaissance drilling on the Northern Splay and Dolomite Hill targets did not return significant results for resource development. Total drilling completed for the Term 1 program is summarized as follows:

Area	Holes Drilled	Meters Drilled
Area 4	56	10,162
Area 2B	29	4,400
Northern Splay	10	1,276
Dolomite Hill	4	377
Total Drilling	**99**	**16,215**

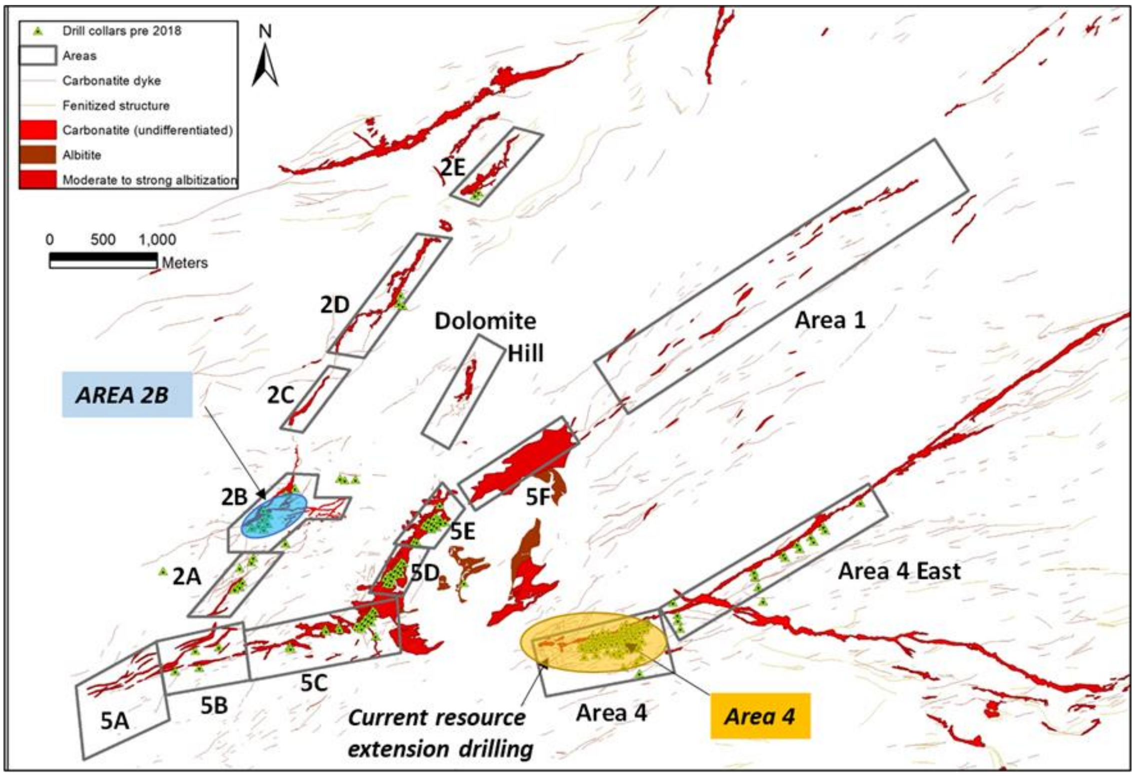


Figure 3 - *Drill target areas at Lofdal for resource development. Focus is on Area 4 to double the current resource. Area 2B will be the first satellite deposit to be evaluated with 4,400 m now planned following increase to joint venture budget.*

Expansion of Mineral Resource at Area 4

Drill results to date in Area 4 have been consistent with expected grades and thickness as predicted from the resource model (Table 3). Intercepts confirm that the highest levels of heavy rare earth enrichment occur in the central portion of the deposit together with the highest concentrations of dysprosium. A number of significant intercepts have been noted in both the hanging wall ("HW") and foot wall ("FW") to the Main Zone which are expected to contribute to the updated resource estimate. Drilling at Area 4 has extended the strike length of the mineralized zone from 700 meters to 1,100 meters and to depths of 250-350 vertical meters (Figure 4).

Table 3 – *Significant Drill Intercepts from Last Reported Thirteen Holes at Area 4*

Hole ID	Section	Hole Inclination	Hole Azimuth (TN)	Final Depth (m)	Zone Position	Sector	From (m)	To (m)	Length* (m)	TREO %	HREE %	Dy2O3 ppm
L4D0122	470463E	-65	340	266.88	HW		162	166	4.00	0.28	43.6	116.8
					HW		228	232	4.00	0.20	54.4	103.9
					Main Zone	Central	257	265	8.00	0.20	69.8	135.4
L4D0125	470950E	-55	343.5	50.73	Main Zone	East	31	38	7.00	0.18	45.5	76.2
					incl		31	33	2.00	0.33	42.2	132.7
L4D0126	470950E	-58	343	131.73	HW		96	98	2.00	0.48	86.6	337.3
					Main Zone	East	107	113	6.00	0.11	49.4	54.8
					FW		124	128	4.00	0.42	20.3	83.9
L4D0127	470850E	-63	341	209.75	HW		50	52	2.00	0.29	19.9	59.5
					Main Zone	East	186	195	9.00	0.17	53.2	85.9
L4D0128	470850E	-65	340	278.98	HW		168	170	2.00	0.59	11.3	63.0
					HW		177	181	4.00	0.16	16.6	24.3
					Main Zone	East	271	275	4.00	0.19	42.5	78.4
L4D0129	470175E	-58	343	125.78	HW		61	66	5.00	0.32	20.1	62.8
					Main Zone	West	96	100	4.00	0.12	35.2	42.8
L4D0130	470175E	-55	343.5	74.78	HW		1	3	2.00	0.51	8.8	49.9
					HW		35	38	3.00	0.16	55.6	77.8
					Main Zone	West	40	46	6.00	0.23	70.3	160.9
					incl		40	41	1.00	0.75	93.7	668.1
L4D0131	470175E	-63	342	191.88	HW		79	80	1.00	0.68	6.1	45.8
					HW		110	125	15.00	0.13	23.8	30.6
					Main Zone	West	128	133	5.00	0.36	68.7	335.4
					incl		130	131	1.00	1.43	96.1	1446.5
					FW		153	162	9.00	0.15	17.5	27.5
					FW		178	180	2.00	0.41	11.3	45.6
L4D0132	470275E	-63	342	194.88	HW		104	106	2.00	0.44	32.3	134.6
					HW		131	151	20.00	0.10	51.9	53.7
					Main Zone	West	157	168	11.00	0.12	77.1	101.8
					FW		181	191	10.00	0.12	35.7	41.9
L4D0133	470275E	-65	340	257.88	HW		181	187	6.00	0.26	19.2	49.8
					incl		185	186	1.00	0.69	10.0	73.9
					HW		197	201	4.00	0.13	47.0	60.2
					Main Zone	West	208	212	4.00	0.24	76.6	196.8
					incl		209	210	1.00	0.40	76.4	336.4
					FW		242	246	4.00	0.14	20.5	29.2
L4D0134	470175E	-65	336	287.88	HW		108	109	1.00	1.03	12.1	143.5
					HW		112	113	1.00	0.31	44.5	157.3
					HW		119	126	7.00	0.22	40.6	94.3
					incl		122	123	1.00	0.25	76.6	220.4
					Main Zone	West	268	271	3.00	0.15	40.9	64.5
L4D0135	470763E	-67	340	368.83	HW		196	199	3.00	1.14	70.7	688.2
					incl		196	197	1.00	2.18	97.3	1733.5
					HW		242	249	7.00	0.19	35.4	74.1
					HW		253	255	2.00	0.24	76.0	185.4
					HW		285	290	5.00	0.39	16.0	52.4
					HW		301	304	3.00	0.23	29.2	62.6
					Main Zone	Central	332	335	3.00	0.16	68.1	109.0
					Main Zone	Central	339	343	4.00	0.17	45.2	81.0
L4D0136	470463E	-67	340	356.88	HW		28	32	4.00	0.43	22.2	93.5
					incl		30	31	1.00	0.89	17.0	152.7
					HW		38	40	2.00	0.28	20.0	53.3
					HW		287	296	9.00	0.32	18.7	60.6
					incl		292	293	1.00	1.50	14.4	227.3
					HW		300	313	13.00	0.22	14.4	33.1
					incl		310	311	1.00	0.96	6.5	66.2
					Main Zone	Central	320	344	24.00	0.17	42.6	74.3
					incl		330	331	1.00	0.31	60.6	191.7
					and		333	334	1.00	0.36	66.5	230.7

*Intercept lengths are reported as down the hole widths and are not necessarily true widths

NOTE: "TREO" refers to total rare earth oxides; "HREO" refers to heavy rare earth oxides; "heavy rare earths" as used in all Company presentations comprise europium (Eu), gadolinium (Gd), terbium (Tb), dysprosium (Dy), holmium (Ho), erbium (Er), thulium (Tm), ytterbium (Yb), lutetium (Lu) and yttrium (Y). Light rare earths comprise lanthanum (La), cerium (Ce), praseodymium (Pr), neodymium (Nd) and samarium (Sm). "HREE" refers to heavy rare earth enrichment which is the ratio of HREO:TREO, expressed as a percentage

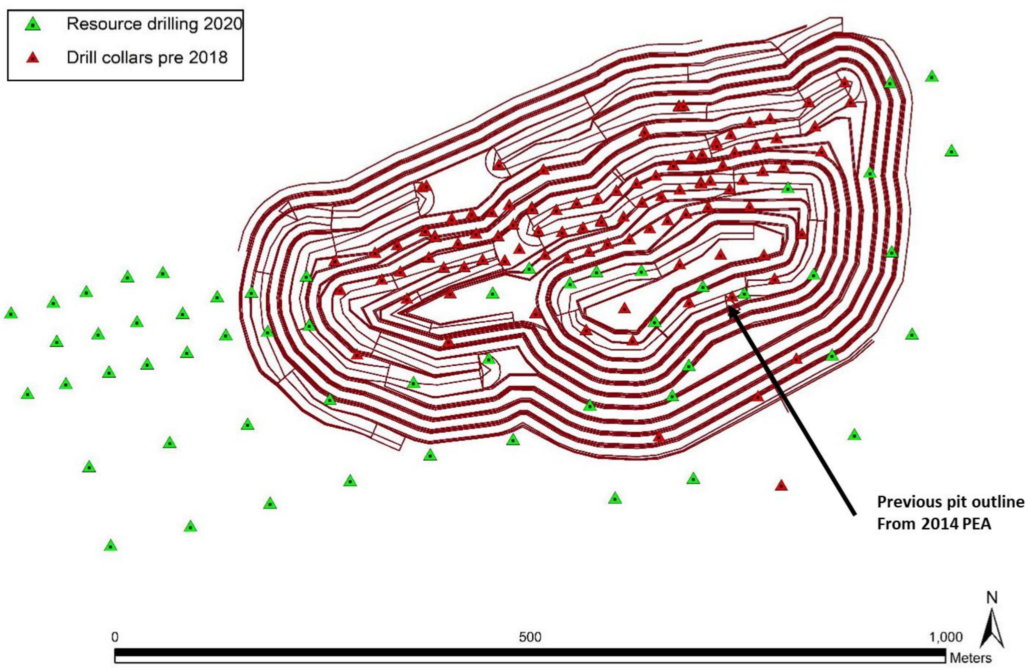


Figure 4 – *Final drill hole collars Area 4 deposit. 2020 drill collars shown in green and historic holes in red.*

Development of Area 2B as Satellite Deposit

JOGMEC provided additional funds to the Term 1 budget that provided for drilling in Area 2B with the objective of confirming the potential to develop additional resources in satellite deposits at Lofdal. Area 2B is located three kilometers northwest of Area 4 and was first identified by trenching and reconnaissance drilling in 2011. Seventeen holes were drilled in the area for a total of 2,133 meters, however no historic resource estimate was developed. An additional 4,400 meters of drilling has been completed in 29 holes and following consultation with MSA, it has been agreed that sufficient work has been completed to undertake a maiden resource for this zone. Mineralization at Area 2B is very similar to Area 4 with two to three narrow dysprosium mineralized zones as reported from the last nine holes in Table 4. Drilling at Area 2B has confirmed mineralization over a strike length of 600 meters to depths of 190 meters (Figure 5).

Table 4 – *Significant Drill Intercepts from Final Nine Holes Reported at Area 2B*

HoleID	Section	Hole Inclination	Hole Azimuth (TN)	Final Depth (m)	From m	To m	Length m	TREO* %	HREO* %	HREE* %	Dy2O3 ppm
L2BD0047	**7754706N**	**-62**	**313**	**190.88**	55	59	4.00	0.67	0.16	23.41	179
incl.					*57*	*59*	*2.00*	*0.98*	*0.24*	*24.69*	*278*
L2BD0047					150	151	1.00	0.13	0.11	85.62	105
L2BD0047					156	157	1.00	0.65	0.51	78.79	464
L2BD0048	**7754458N**	**-64**	**313**	**173.83**	111	117	6.00	0.17	0.10	56.67	85
L2BD0048					142	143	1.00	0.47	0.45	95.64	382
L2BD0048					152	153	1.00	0.16	0.15	94.00	127
L2BD0048					159	160	1.00	0.18	0.15	82.41	130
L2BD0049	**7754706N**	**-62**	**313**	**97.98**	73	84	11.00	0.16	0.07	41.96	64
incl.					*81*	*83*	*2.00*	*0.37*	*0.13*	*35.21*	*132*
L2BD0050	**7754423N**	**-62**	**313**	**137.83**	20	21	1.00	0.27	0.13	46.49	113
L2BD0050					28	31	3.00	0.28	0.13	47.37	163
L2BD0050					110	114	4.00	0.37	0.27	72.49	283
incl.					*112*	*114*	*2.00*	*0.57*	*0.43*	*76.00*	*454*
L2BD0050					128	129	1.00	0.17	0.12	74.65	127
L2BD0051	**7754777N**	**-64**	**311**	**178.88**	48	49	1.00	0.53	0.08	15.40	102
L2BD0051					159	165	6.00	0.13	0.09	74.61	88
L2BD0051					171	175	4.00	0.16	0.06	37.27	73
L2BD0052	**7754494N**	**-64**	**311**	**200.93**	85	86	1.00	1.16	0.06	5.55	82
L2BD0052					185	187	2.00	0.11	0.10	91.86	99
L2BD0053	**7754777N**	**-68**	**313**	**104.38**	78	86	8.00	0.24	0.19	79.23	165
incl.					*80*	*83*	*3.00*	*0.38*	*0.36*	*93.34*	*307*
L2BD0054	**7754847N**	**-64**	**311**	**209.88**	78	80	2.00	0.71	0.18	25.07	214
L2BD0054					175	182	7.00	0.15	0.06	39.00	61
L2BD0054					192	204	12.00	0.12	0.07	68.87	80
L2BD0055	**7754847N**	**-68**	**313**	**125.28**	47	50	3.00	0.47	0.19	40.33	149
L2BD0055					66	90	24.00	0.29	0.23	79.37	216
incl.					*66*	*78*	*12.00*	*0.41*	*0.39*	*81.56*	*365*
incl. incl.					*70*	*73*	*3.00*	*1.08*	*1.05*	*97.52*	*946*

*** some total percentages subject to rounding errors**

NOTE: "TREO" refers to total rare earth oxides; "HREO" refers to heavy rare earth oxides; "heavy rare earths" as used in all Company presentations comprise europium (Eu), gadolinium (Gd), terbium (Tb), dysprosium (Dy), holmium (Ho), erbium (Er), thulium (Tm), ytterbium (Yb), lutetium (Lu) and yttrium (Y). Light rare earths comprise lanthanum (La), cerium (Ce), praseodymium (Pr), neodymium (Nd) and samarium (Sm). "HREE" refers to heavy rare earth enrichment which is the ratio of HREO:TREO, expressed as a percentage

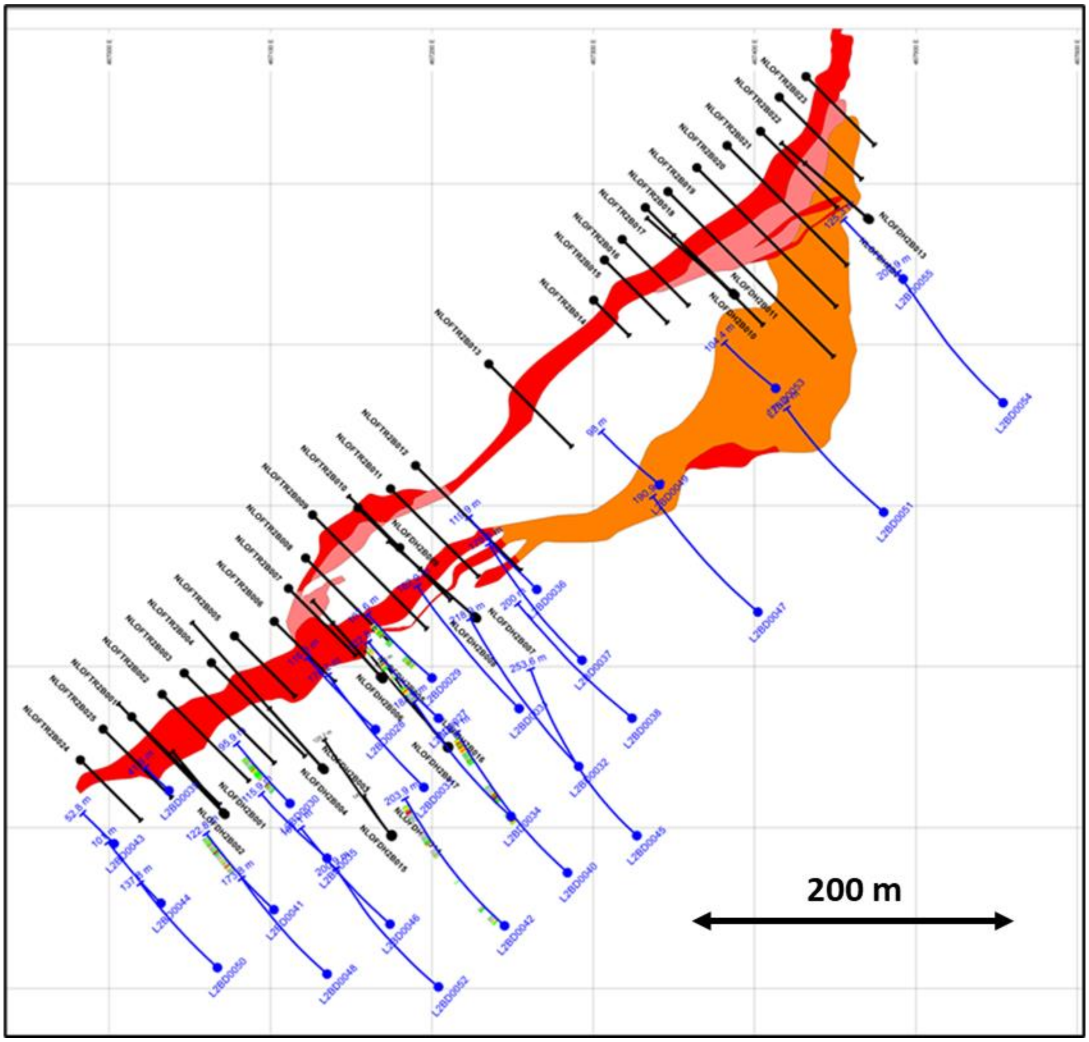


Figure 5 – *Final drill plan for Area 2B. 2020 drill holes in blue and historic drill holes and trenches in black*

Updated Mineral Resource

The MSA Group ("MSA") of South Africa has been engaged to update the Lofdal resource which will incorporate all the new drilling from Area 4 and Area 2B and is scheduled for delivery before March 31, 2021. As part of its due diligence process, MSA has completed a one week site/in-country visit to review all technical aspects of the project including the Company's standard operating procedures and quality assurance quality control ("QAQC") programs. Considerable time was dedicated to vetting the geological model and continuity of the mineralization.

Field operations follow strict company Standard Operating Procedures with regards to drilling practices, sampling procedures, security of transport and analytical procedures as per recommendations in the Canadian Institute of Mining, Metallurgy and Petroleum CIM's Best Practices Guidelines (2018), which includes strict internal QAQC procedures for the insertion of blanks, standards and duplicates. QAQC samples account for 10% of samples submitted in each batch. Sample preparation and analytical work for the drilling program is being provided by Activation Laboratories Ltd. ("Actlabs" Windhoek, Namibia and Ancaster, Ontario) employing appropriate crushing and pulverization procedures (Actlabs Code RX-1) on half sawn core samples provided from the selected intervals, and utilizing lithium metaborate/tetraborate fusion and ICP-MS techniques suitable for rare earth element analyses (Actlabs Code 8). Activation Laboratories is an ISO/IEC 17025 accredited laboratory.

ii) Progress on Metallurgical Program

A number of sequential processing stages have been recommended for treatment of the xenotime mineralization at Lofdal and include upfront sorting, magnetic separation, flotation and gangue acid leaching to produce a mineral concentrate. Each of these stages will be further evaluated with the initial focus on XRF and XRT sorting using a representative 18 tonne sample that was collected from trenches along 650 meters of strike length from the Area deposit.

X-Ray Fluorescence ("XRF") sorting tests have been completed by Rados International at their test facility in Pretoria, South Africa. Mineralization at Lofdal is amenable to XRF sorting by analyzing for yttrium which is directly related to the concentration of the heavy rare earth mineral xenotime. Detailed calibration tests were carried out using 500 individual rock particles from Area 4 to determine the relationship between concentrations of yttrium as determined from a handheld XRF analyzer and the Rados XRF analyzer. Data was used to develop a final algorithm that will determine the efficiency of the technology to eliminate waste from run-of-mine ("ROM") prior to milling and to further upgrade the ROM by sorting at specific cut-off grades. Tests were carried out on three separate size fractions from 20 mm to 150 mm to determine the optimum size fraction for sorting. Results indicate that XRF sorting technology can provide significant upgrades to the ROM. These results will be used to determine the efficiencies of the sorting technology and to select the optimum particle size range for sorting based on outcomes for mass balance, grade and recoveries.

X-Ray Transmission ("XRT") sorting tests have also been completed by IMS Engineering at their test facility in Johannesburg, South Africa using a Steinert KSS LXT sorter which incorporates laser sensor technology with XRT. Mineralization at Lofdal is amenable to XRT sorting by detection of higher density minerals which host the xenotime mineralization (predominantly carbonate minerals calcite, ankerite and dolomite). Detailed calibration tests were carried out using 750 individual rock particles from Area 4 to determine the relationship between %TREO as estimated from concentrations of yttrium from a handheld XRF analyzer and the Steinert XRT analyzer. Sorting tests were carried out on three separate size fractions from 10 mm to 80 mm to determine the optimum size fraction for sorting. Results indicate that XRT sorting technology can provide significant upgrades to the ROM. These results will be used to determine the efficiencies of the sorting technology and to select the optimum particle size range for sorting based on outcomes for mass balance, grade and recoveries.

Sorting test work has been completed on 8.6 tonnes prepared from the 18 tonne representative sample by Light Deep Earth ("LDE") in Pretoria and final ICP-MS analyses appropriate for rare earth element analyses (method code ME-MS81h with lithium meta-borate fusion) were carried out by ALS Minerals (sample preparation in Johannesburg and analyses in Vancouver). QAQC was monitored through internal laboratory standards, blanks and duplicates with the provision of refereed rare earth standards from Lofdal.

Very clear grade, recovery and mass pull curves were established for both technologies and can be used to evaluate the most favourable economic scenarios available to the project. Outcomes for upgrading of dysprosium from all size fractions for both XRF and XRT tests, and grade recovery curves for one size fraction are shown in Figure 6.

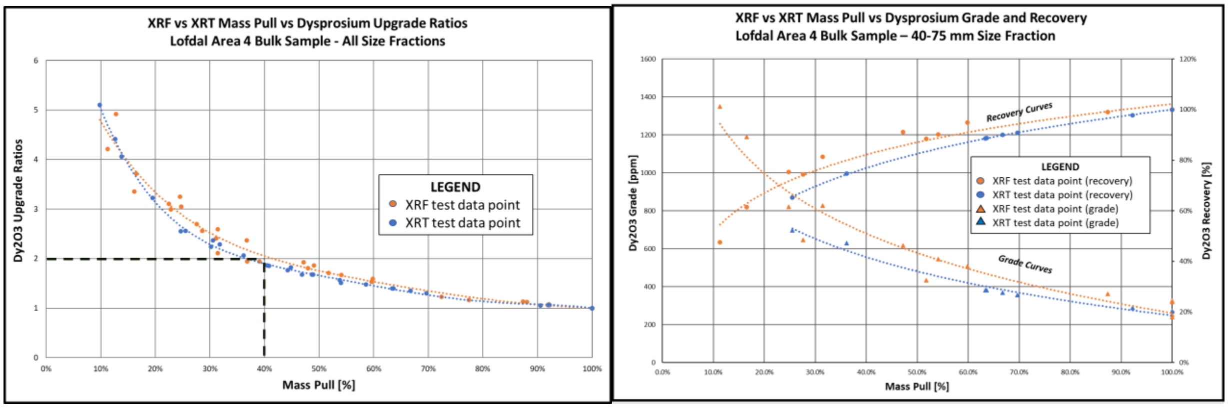


Figure 6 – *Mass pull vs dysprosium upgrade ratios on all size fractions (left) and mass pull vs dysprosium grade and dysprosium recovery for the 40-75 mm size fractions (right). Test results from Lofdal Area 4 bulk sample showing XRF (orange) and XRT (blue). Operator can pre-select desired upgrade or mass pull and determine recovery. Example shown by dashed black lines on left: if a mass pull of 40% was selected it would double the grade of dysprosium and reject 60% of the mass after sorting with a resulting dysprosium recovery of 85% using XRF and 78% using XRT.*

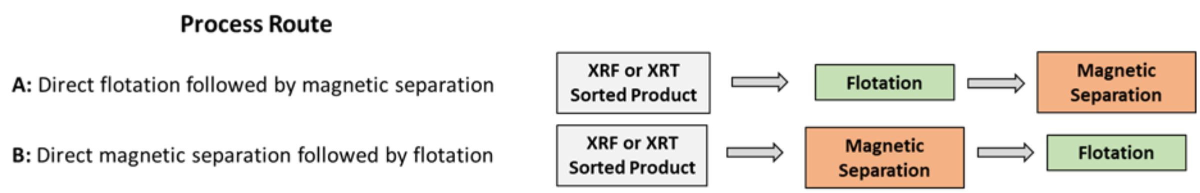
In addition to quantifying outcomes for upgrading of heavy rare earths the test work will also be evaluated for efficiencies in rejecting unwanted iron, calcium and silica. Scavenging tests on XRF discard products have demonstrated opportunities for further increased recoveries with minimal additional mass pulls. Sorted products from these bulk runs have been utilized to provide representative samples for next stage process steps – gravity, magnetic separation and flotation.

Gravity, Magnetic Separation and Flotation

Systematic evaluations of gravity separation technologies had not been previously undertaken on Lofdal. This work has been undertaken by Light Deep Earth using sorted XRF sample and fines. Test work has been completed to evaluate dense media separation on coarse size fractions between 1-10 mm, shaking table separation on size fractions between 0.05-1.0 mm and multi gravity separation on size fractions between <0.05–0.1 mm.

Previous metallurgical test work at Lofdal had demonstrated the amenability of the mineralization to magnetic separation using wet high intensity magnetic separation ("WHIMS") equipment and it is expected that magnetic separation will be maintained as an important processing step in beneficiation. The focus of magnetic separation test work at LDE is to evaluate wet belt rare earth magnet separation technology ("WRER") to compare with WHIMS. Test work on this has been completed and reports are pending.

Flotation has also been demonstrated to be an important step in beneficiation and is being undertaken by SGS (Canada) in conjunction with additional WHIMS test work. SGS has extensive experience in mineral processing of a number of rare earth deposits. The test program compares upgrades and recoveries of XRF and XRT products through direct flotation followed by magnetic separation, and through direct magnetic separation followed by flotation as shown below:



During the year ended November 30, 2020, the Company received $3,303,455 from JOGMEC for exploration expenditures on the Lofdal property. As of November 30, 2020, $2,689,670 in exploration expenditures have been incurred. The Company has recorded $613,785 as a liability for advances received for future exploration work. Amounts received in excess of the Term 1 amount of $3 million are also non-refundable and will be credited to Term 2 expenditures.

The joint venture expenditures for the year ended November 30, 2020 are summarized in the following table:

LOFDAL-JOGMEC JOINT VENTURE EXPENDITURES	**YTD November 30, 2020**
Project Management	81,756
Geology, Drilling, Sample Analysis	2,132,324
43-101 Resource and Mine Model Update	63,394
Metallurgy	255,381
Operator's Fee	139,374
Other	17,441
TOTAL PROJECT EXPENDITURES	**$ 2,689,670**

As part of the agreement with JOGMEC, the Company is entitled to an operator fee of 10% of the direct costs incurred, which is limited to 5% for any contracts requiring aggregate payments of more than $100,000. The Company first recognized the operator fees against evaluation and exploration expenditures, as cost recoveries, and recognized the excess as other income in the consolidated statement of loss and comprehensive loss. The portion of the operator fee recognized as income during the year ended November 30, 2020 amounted to $52,741.

Other Lofdal Expenditures

For the year ended November 30, 2020, the Company incurred Nil (2019: $298,269) in exploration and evaluation expenditures on the Lofdal property that were in addition to the joint venture with Jogmec.

Other Project Activities

Kunene Cobalt-Copper Project

The Kunene project builds upon the recent exploration success led by Dr. Rainer Ellmies (Director with Namibia Rare Earths (Pty) Ltd. and Managing Director of Gecko Exploration) to explore for "copper belt" style deposits in northern Namibia. This work led to the first recorded discovery of stratabound cobalt-copper mineralization in Namibia in a sedimentary horizon termed the dolostone ore formation ("DOF"). The mineralization is uniformly 5 to 10 meters thick, stratabound within a dolomitic shale horizon, and averages between 0.1% and 0.2% cobalt with around 0.5% copper.

The initial discovery (Opuwo deposit) is held by Celsius Resources Ltd. (ASX: CLA) which has established an initial JORC compliant mineral resource of 72.0 million tonnes at a grade of 0.11% cobalt, 0.42% copper and 0.41% zinc in the Indicated category, and a further 40.5 million tonnes at a grade of 0.12% cobalt, 0.41% copper and 0.46% zinc in the Inferred category at a cut-off of 0.06% cobalt (Celsius Resources press release dated April 16, 2018). It is noted that the mineralization on the Celsius property may not be indicative of mineralization that may be found on the Kunene project area held by Namibia Critical Metals. The JORC resource covers a strike length on 10 kilometers and is open in all directions. The deposit is very significant and establishes this part of northern Namibia as an important district-scale opportunity for the discovery of world-class deposits of cobalt.

The EPLs comprising the Company's project area cover over 2,850 km^2 and host a number of cobalt target areas including sedimentary horizons related to the DOF (Figure 7).

In addition to the potential for DOF style mineralization, secondary copper mineralization over a wide area in the center of the Kunene ground holdings points to preliminary evidence of a regional-scale hydrothermal system which would be spatially related to the DOF style mineralization as well as being associated with orogenic copper, and stratabound Zn-Pb mineralization. There is considerable scope for further discoveries both along strike of the Celsius discovery and in equivalent stratigraphy elsewhere on the Company's properties. The western extension of the DOF has been interpreted to continue for over 40 km in the project area. Similar sedimentary packages have been noted in proximity to the Okanihova lineament. The anomalous clusters of cobalt anomalies between the DOF Extension and the Olulilwa lineament appear to have a different geological context.

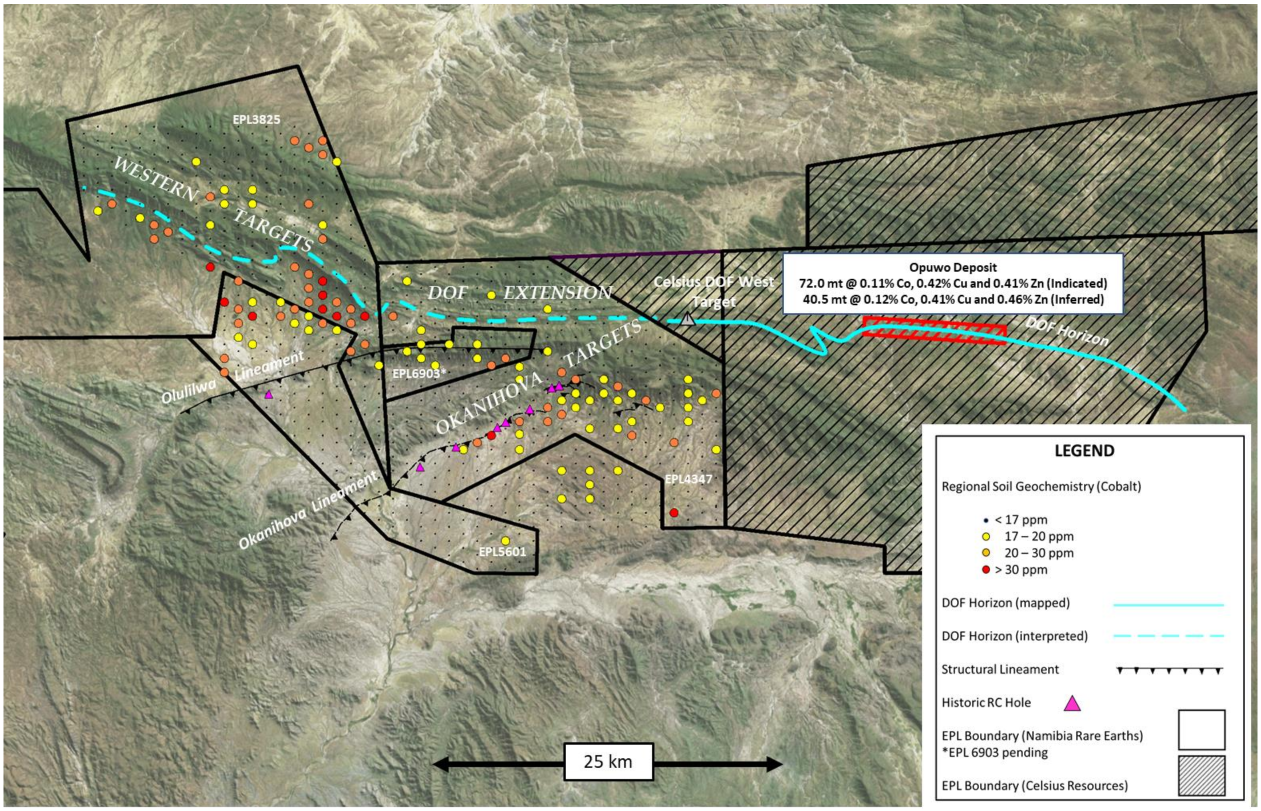


Figure 7 – *Kunene Co-Cu Project area showing contiguous ground position to west of the Opuwo cobalt discovery by Celsius Resources. Target areas on Company ground identified by historic regional soil geochemical anomalies and interpreted extension of the DOF*

Kunene Exploration Program

The Company has undertaken an ambitious, staged exploration program at Kunene. Following an extensive program of re-analysis of archived soil samples for cobalt, the historic soil geochemical anomalies depicted in Figure 7 have been confirmed in more detail (Figure 8).

Field teams have been systematically mapping these areas in conjunction with an airborne electromagnetic ("EM") geophysical survey which was completed in August 2018.

The geochemical surveys, mapping and geophysical survey results were used to develop the first drilling programs by Namibia Critical Metals at Kunene. Drilling commenced in October 2018 to test high priority targets and to date a total of 5,860 m has been completed.

Soil Geochemistry Program

The regional soil anomalies shown in Figure 7 were delineated by previous workers (joint venture with First Quantum Minerals) as part of a regional assessment of the area for copper deposits. Namibia Critical Metals accessed archived soil samples from that period that were collected on a much more detailed sample spacing and analysed by hand held XRF which did not provide reliable data on cobalt. These archived samples were therefore submitted to Analytical Laboratories Ltd. (“Actlabs”) for proper ICP analysis to confirm the position and scale of the regional anomalies.

The results of this program validated the regional anomalies and confirmed the scale of the priority target areas (Figure 8). A number of discrete broad anomalies (>30 ppm Co) of 0.5-1-kilometer extent on surveyed lines south of the Okanihova lineament, and two lower level anomalies (17-30 ppm Co) of 4–5 kilometers in length parallel to the Olulilwa lineament. Isolated low-level cobalt anomalies occur along or proximal to, the interpreted Western Extension of the DOF horizon which has been shown to be mineralized on the adjacent ground being explored by Celsius Resources. In the Western Targets area anomalies extend over strike lengths of up to 7 kilometers in basement rocks (high grade metamorphic gneisses and amphibolites) or possibly intrusive bodies, proximal to thrust contacts with younger sedimentary rocks, and for over 1-3 kilometers in favourable sedimentary horizons (black shales and dolostones).

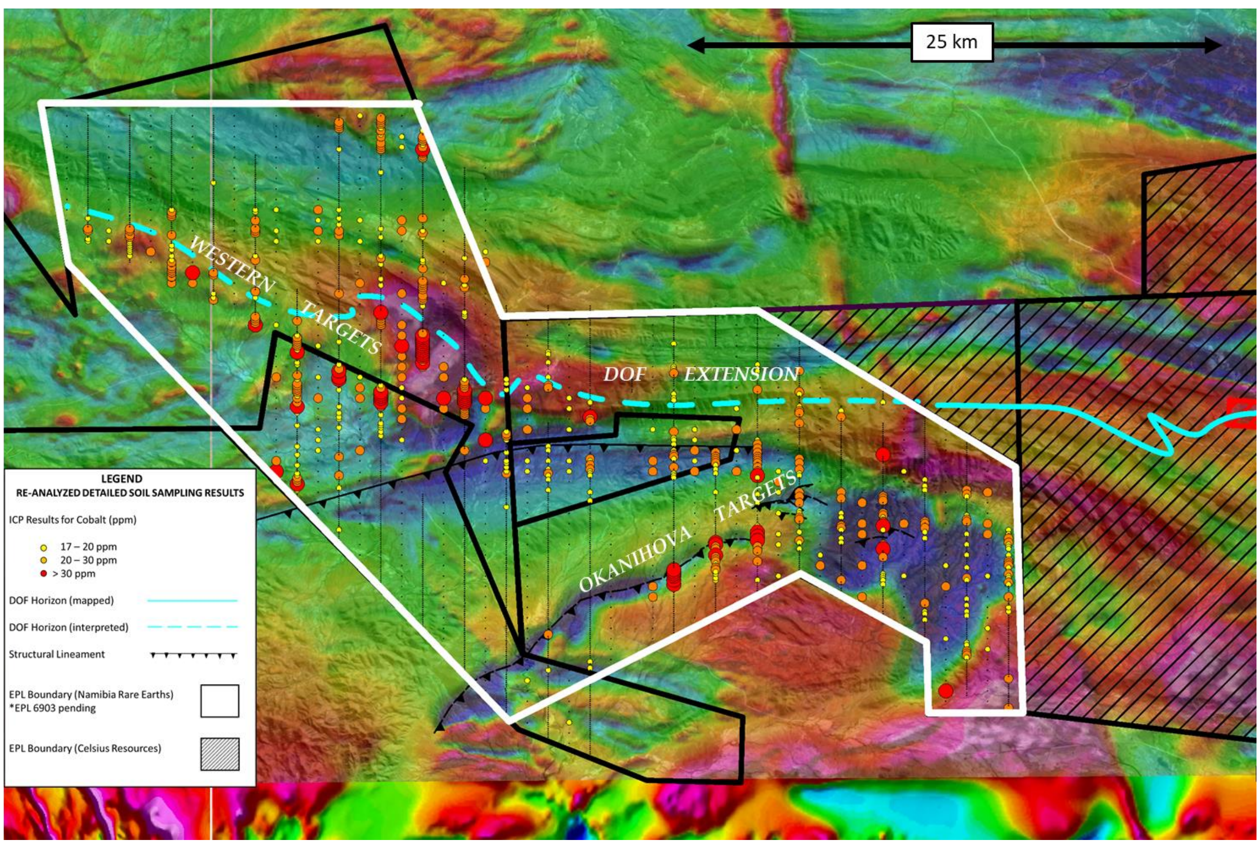


Figure 8 – *Kunene Co-Cu Project area showing results of re-analyses of more detailed soil geochemical survey samples and outline of airborne geophysical survey area (white). Background is total magnetic intensity and satellite imagery superimposed.*

Sample preparation and analyses were carried out by Activation Laboratories Ltd. (Windhoek, Namibia and Ancaster, Ontario) employing appropriate ICP techniques and following strict internal QAQC procedures inserting standards and duplicates.

Priority Target Areas and Geological Mapping

Three large target areas for cobalt were defined on the basis of regional soil geochemical surveys - namely the DOF Extension, the Western Targets and the Okanihova Targets. Field teams mapped and prospected in portions of each target area in advance of the airborne geophysical survey.

The DOF Extension holds potential for Co-Cu mineralization of a style similar to that found in the Opuwo deposit. The inferred trace of the DOF Extension is based on airborne geophysical and hyperspectral surveys with limited geological mapping due to areas of extensive cover. Based on the soil geochemical survey results, cobalt and copper anomalies are widespread along the Okanihova lineament. The Okanihova lineament obviously acted as fluid pathway for basement derived fluids which caused cobalt and copper sulphide mineralisation in reductant lithologies (pyrite-rich siltstones and shales) along the structure. The Okanihova lineament is clearly defined over a strike length of 21 kilometers by magnetic anomalies due to the formation of halos of hydrothermal pyrrhotite in the adjacent sedimentary rocks. These anomalies are particularly well developed over the southwestern half of the lineament which is entirely covered by thick alluvium and aeolian sands. Conductive anomalies identified by the airborne EM survey associated with these trends were deemed to be high priority drill targets.

In the Western Targets area, the highest cobalt values (40-50 ppm Co) in the soil samples are associated with a large (24 km^2) magnetic anomaly which is spatially related to mafic dykes and breccia zones with carbonate-chert veining and to the contact zone of the basement rocks with the overlying Damaran sediments. Any conductors delineated by the airborne EM survey associated with this magnetic anomaly might represent sulphide mineralisation associated with the mafic intrusive and would be priority drill targets. Conductive zones between the basement and the Damaran sedimentary sequence to the north as well as parallel to fault zones in the Damaran sediments might be associated with sediment-hosted Co-Cu-Zn mineralisation.

Lastly, sandstone-hosted copper mineralisation (malachite and chrysocolla) has been noted in a light-grey gritty sandstone over a strike extend of approximately 170 meters in the far west of the Western targets. The width of the mineralised sandstone reaches up to 10 meters and forms part of the uppermost horizon of the Nosib Formation. In addition, vein-hosted Cu mineralization as chrysocolla, malachite, azurite and dioptase was observed in light grey carbonates close to the contact with sandstone. This mineralisation was initially followed for about 500 m along strike. The carbonate rocks likely represent the Nosib-Ombombo Transition Zone known for epigenetic base metal mineralisation throughout the area. Neither of these latter mineralization styles are known to be associated with significant cobalt.

Geological interpretations and target generation were assisted by an airborne database that was acquired using a SkyTEM combined electromagnetic-magnetic survey system covering 720 km^2 at a flight line spacing of 200 meters. The electromagnetic ("EM") data show clear conductive trends associated with favourable sedimentary horizons and structures (Figure 9).

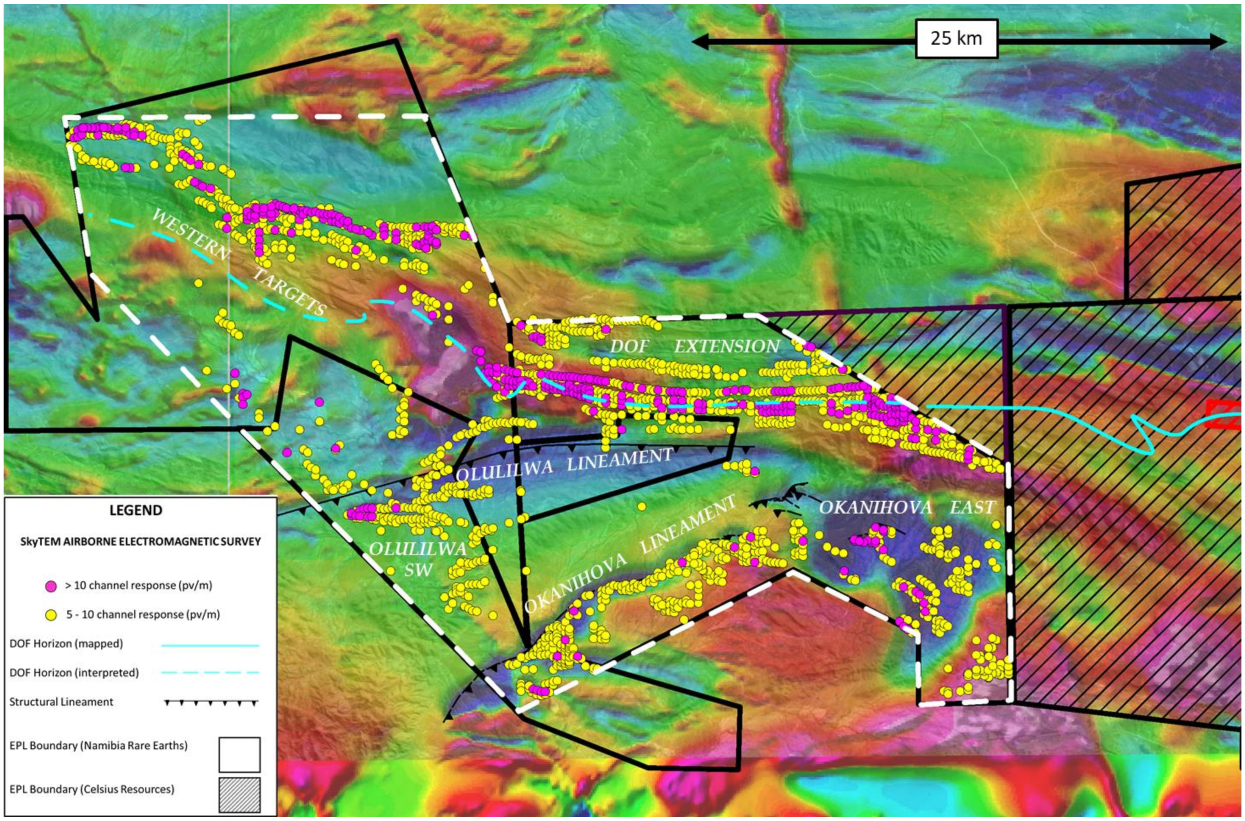


Figure 9 – *Kunene Co-Cu Project Area showing SkyTEM airborne survey area (white dash) and preliminary EM conductor picks for 5-10 channel and > 10 channels responses. Responses for < 5 channels not shown. Channel responses are provided in picovolts/meter. Background image is total magnetic intensity from the Namibian Geological Survey database combined with satellite surface topography.*

Drilling Program

The Company commenced a drilling program at Kunene in early October 2018 with one diamond rig deployed to the DOF Extension and a reverse circulation drill deployed to the Okanihova lineament targets. A total of 5,681 meters in 29 drill holes has been completed in a number of target areas (1,481 meters of diamond drilling and 4,380 meters of reverse circulation drilling). Drilling tested seven separate target areas and five target areas remain to tested (Figure 10).

Drilling at DOF East has confirmed the continuation of stratabound Co-Cu mineralization, similar to Celsius Resources' Opuwo Co-Cu-Zn deposit on to Namibia Critical Metals' land holdings (Table 5 below). In addition to the Co-Cu horizons, two vanadium-enriched horizons have been intersected within the same stratigraphic sequence. The DOF Extension was tested with 3 drill holes approximately 20 kilometers further along strike however the mineralized horizon was not intersected.

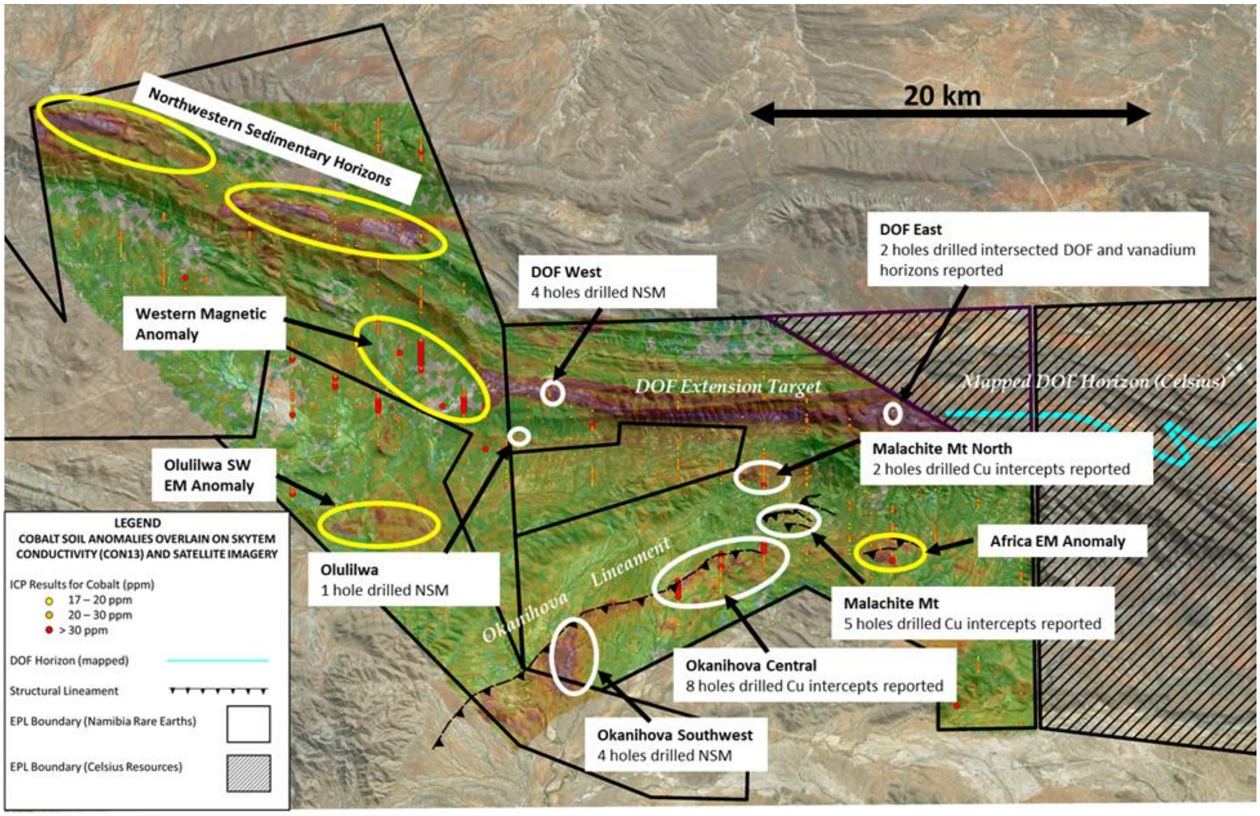


Figure 10 – *Kunene Co-Cu Project Area showing drill target areas tested to date (white ovals) and remaining target areas recommended for drilling (yellow ovals). NSM = no significant mineralization. Cobalt soil anomalies are shown on SkyTEM airborne EM conductivity layer (Con13 = approximately 70 vertical meter depth) and satellite topography image*.

Table 5 – *Diamond Drill Results DOF Extension Target (DOF East)*

Target Area	Hole ID	Az	Dip	Depth (m)	Horizon	From (m)	To (m)	Width (m)	% Co	% Cu	% V2O5
DOF East	**DODD002**	180	-55	50.6	V1	13.14	15.90	2.76	<0.01	0.02	**0.21**
					Co-Cu 1	18.82	18.94	0.12	**0.08**	0.01	0.01
					V2	24.30	35.00	10.70	<0.01	0.01	**0.12**
	DODD005	180	-80	156	V1	100.00	104.82	4.82	<0.01	0.02	**0.15**
					Co-Cu 1	104.82	105.85	1.03	**0.14**	**0.59**	0.02
					V2	113.00	123.70	10.70	<0.01	0.01	**0.13**
					Co-Cu 2	124.30	125.24	0.94	**0.13**	**0.49**	0.01

NOTE: Width is down-the-hole length in meters. True widths cannot yet be determined with the available information.

Results from eight reverse circulation holes on the Okanihova Central Target have confirmed widespread copper mineralization in the sedimentary strata in the hanging wall of the Okanihova lineament and five reverse circulation holes at Malachite Mountain have intersected similar broad zones of low-grade copper mineralization (Table 6 below).

Table 6 – *Reverse Circulation Drill Results Significant Copper Intercepts*

Target Area	Hole ID	Az	Dip	Depth (m)	From (m)	To (m)	Width (m)	% Cu
Okanihova Central	**OKRC001**	330	-55	255	0	199	**199**	0.10
	incl				149	164	15	**0.51**
	OKRC002	330	-55	261	28	106	**78**	0.10
	and				133	149	16	0.14
	and				185	200	15	0.20
	OKRC003	330	-55	183	7	49	**42**	0.14
	and				93	112	19	0.11
	OKRC004	330	-55	183	63	74	11	0.11
	and				91	104	13	0.10
	OKRC005	330	-55	303	118	181	**63**	0.12
	OKRC006	330	-55	153	70	80	10	0.11
	and				87	94	7	0.11
	OKRC007	330	-55	183	78	87	9	0.12
	and				120	125	5	0.12
	OKRC008	330	-55	207	108	135	27	0.10
Malachite Mountain	**OKRC009**	0	-55	105	6	22	16	0.06
	and				39	62	23	0.06
	and				71	76	5	0.12
	OKRC0010	0	-55	195	75	119	**44**	0.10
	and				127	155	29	0.07
	OKRC0012	0	-55	261	188	198	10	0.10
	and				222	244	22	0.10
	OKRC014	0	-55	222	83	88	5	0.10
	OKRC015	350	-55	240	15	80	**65**	0.25
	and				80	137	**57**	0.17
Malachite Mt. North	**OKRC011**	180	-55	279	24	39	15	0.11

NOTE: Width is down-the-hole length in meters. True widths cannot yet be determined with the available information.

The Okanihova Lineament has a strike length of 15 kilometers and the Okanihova Central Target is characterized by strong Cu-Co soil anomalies over a strike length of seven kilometers trending northeast into Malachite Mountain. The primary target along this structure is to vector in on a higher-grade source (i.e. stockwork or feeder zone) but there is now also potential for a low grade, high tonnage copper deposit. Further drilling has been recommended at Okanihova Central and at Malachite Mountain.

All drill hole analyses were carried out under strict QAQC protocols including the insertion of standards, blanks and duplicates. Sample preparation was carried out by Activation Laboratories (Windhoek, Namibia) and ICP analyses with appropriate acid digestions were carried out by Activation Laboratories (Ancaster, Canada).

Otjitanga Light Rare Earth Project

On February 3, 2020 the Company announced significant results from rock samples taken from EPL 5885 which is part of the Kunene project area holdings. The project is situated about 340 kilometers north of the Company's Lofdal Heavy Rare Earth Project and represents a new light rare earth ("LREE") opportunity for the Company. Grab samples taken from a series of carbonatite dykes returned grades of 9.64% TREO to 26.47% TREO which are highly enriched in neodymium and praseodymium (grab samples are selected samples and are not necessarily representative of the mineralization hosted everywhere on the property). Mineralization has been confirmed in over 250 carbonatite dykes throughout an area of 30 km^2.

The LREE-mineralization is associated with discrete carbonatite dykes over strike lengths of tens to several hundred meters with widths of between 20 centimeters to a maximum of 4 meters. The dykes follow a broad east-west zone and are interpreted as distinct primary magmatic features hosted by fenitized country rocks. Initial reconnaissance mapping has delineated at least 250 of the LREE carbonatite dykes over an area of more than 30 km^2 (Figure 11).

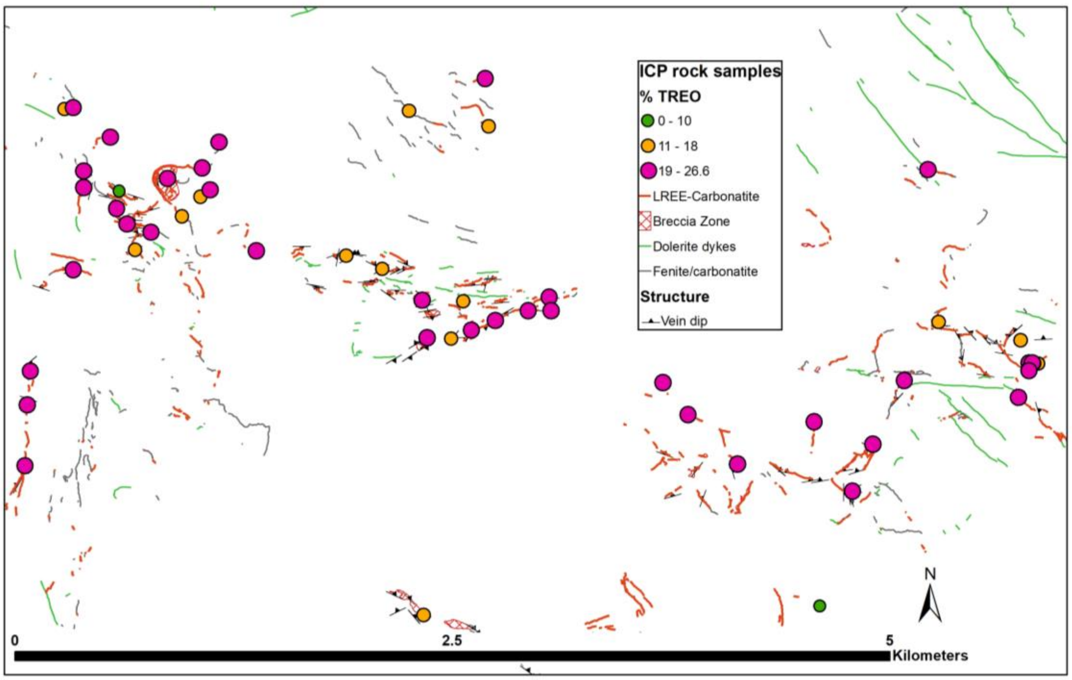


Figure 11 – *Overview of the dyke system indicating the general structural setting of the mineralisation and TREO grades of the LREE-carbonatite*

Sample preparation and analytical work for the rock samples was carried out by Activation Laboratories Ltd. (Windhoek, Namibia and Ancaster, Ontario) with internal laboratory QAQC controls employing ICP-MS techniques suitable for rare earth element analyses.

Planned Work

Mapping and structural analysis of the mineralized area is under evaluation to determine the potential for larger scale deposit types that would be associated with carbonatite plugs that may be related to the high grade mineralization exposed at surface.

<u>Epembe Tantalum-Niobium Property</u>

Epembe is an advanced stage exploration project with a well-defined, very large multiphase carbonatite dyke that has been mapped and sampled at surface over a strike length of 10 kilometers of which at least 7 km of strike length is mineralised. Detailed mapping and over 11,000 meters of drilling has been completed on the dyke, along with preliminary mineralogical and metallurgical studies. The carbonatite contains variable concentrations of pyrochlore which is unusually enriched in tantalum. The other commodities of interest are niobium (hosted in pyrochlore) and apatite. Drilling covered only 15% of the pyrochlore hosting carbonatite.

Grades of the drilled portion of the carbonatite average on the order of 150 ppm Ta2O5, 1,300 ppm Nb2O5 and 2.4% P2O5 (Figure 12). Initial sorting tests (XRT) indicate the potential for significant physical upgrading. Planned work will focus on improving grade by optimizing XRT sorting and investigating amenability to XRF sorting. There is potential to delineate a substantial open pit resource by further exploration, both by extending known mineralized zones along strike and vertically.

A 25 tonne bulk sample was extracted from Epembe for purposes of metallurgical test work. This sample has been delivered to Light Deep Earth in Pretoria for initial sample preparation. Static test work has been completed by Rados which has made recommendations to proceed with larger scale test work on their XRF sorter. Similar static tests were conducted by IMS which have provided recommendations to proceed with larger scale tests on the Steinert XRF sorter.

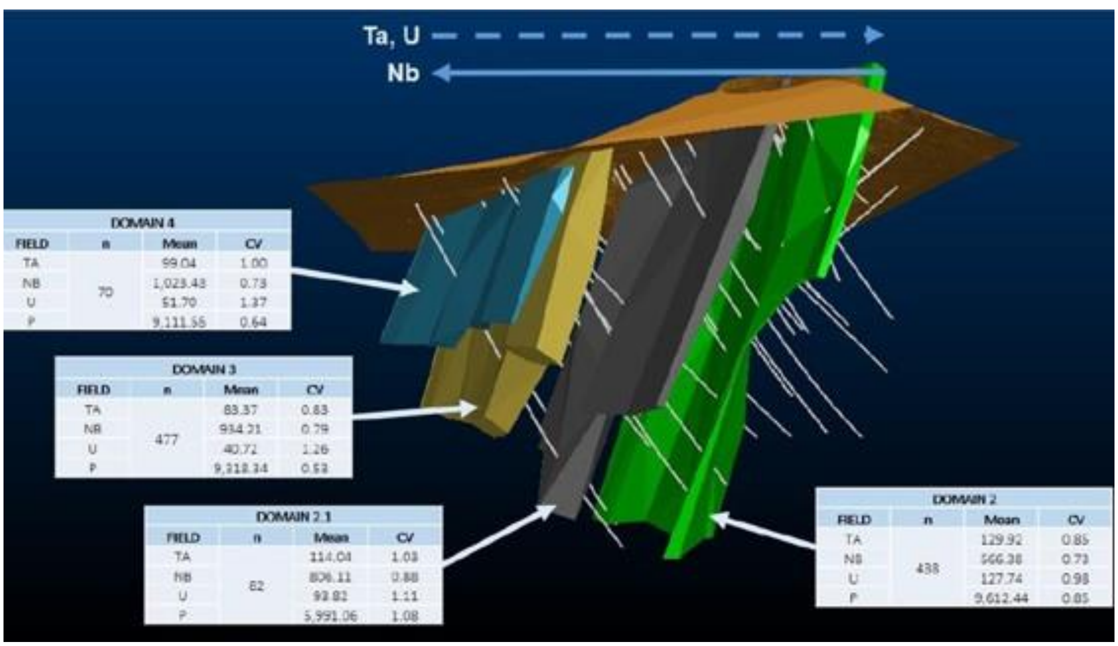


Figure 12 – *Modeled mineralized zones at Epembe from historic drilling*

Epembe Expenditures

During the year ended November 30, 2020, the Company incurred $9,364 (2019: $69,445) in exploration and evaluation expenditures on the Epembe property.

For 2021, the Company estimates its work program at approximately $0.1 million to complete sorting test work.

Gold Project Portfolio

Three of the Company's projects are situated within the Central Namibian Gold Belt (Figure 13) – namely Erongo, Grootfontein and Otjitasu. Following the success of the JOGMEC joint venture which has secured funding for development of the Lofdal Heavy Rare Earth project, management has focused its exploration attention on the unfolding events pertaining to new gold discoveries in Namibia spearheaded by the success of Osino Resources discovery at Twin Hills. To date, the Company has directed limited funds for the exploration of these properties and it is recommended that priority now be given to regional gold exploration on these EPLs which cover just over 2,000 km^2 in this emerging gold belt.

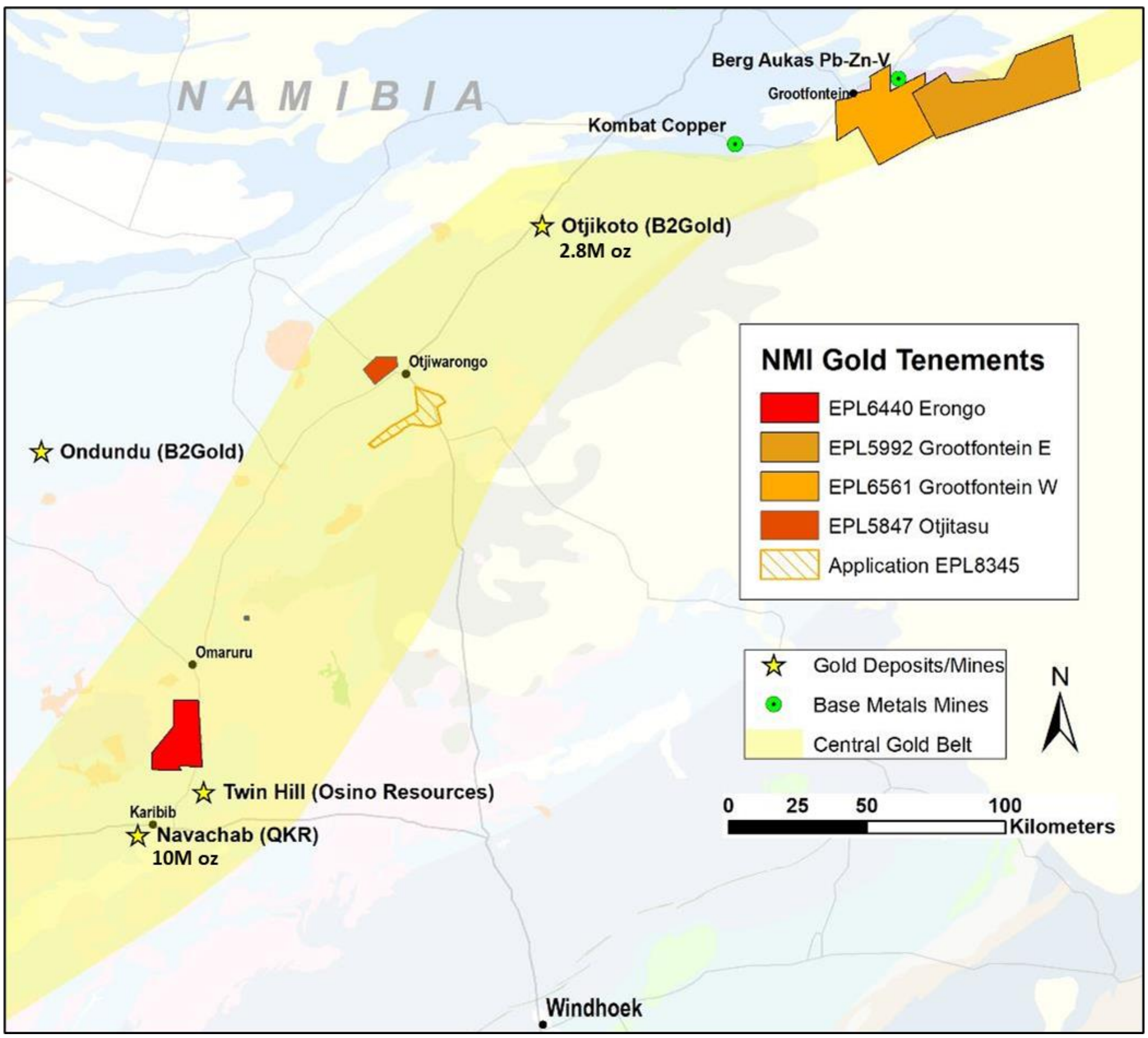


Figure 13 – *Project areas in the Central Namibian Gold Belt*

Grootfontein Gold, Nickel-Copper, Zinc-Lead-Vanadium Project

Grootfontein is an early stage conceptual target based on geophysical and historical evidence for a large buried mafic-ultramafic intrusive complex. It is a poorly explored geological complex due to the extensive coverage with Kalahari sands and calcrete.

Based on historic drill holes and airborne magnetic survey interpretations, Grootfontein constitutes a huge mafic complex covering 360 km^2 with the potential to host magmatic nickel, copper, vanadium, platinum group elements and chromite mineralisation as cumulates or late magmatic disseminations and stockworks. Previous work demonstrated that the main intrusive phases are depleted in nickel and copper. The metals were likely fractionated as sulphides during the intrusive phase, gravitationally accumulated in the magma and intruded in the adjacent, pre-existing rocks. As in other mafic hosted copper-nickel deposits such as Norilsk and Voisey's Bay, sulphidization by scavenging of sulphur from country rocks and tectono-magmatic concentration of the sulphide-rich melts are the key for the formation of this type of magmatic copper nickel deposits. Only two shallow drill fences (total of 1,386 m) were drilled by Anglo American in 1988 leaving 55 km of strike length untested.

There is also potential for zinc-lead-vanadium Mississippi Valley-type mineralization similar to the Berg Aukas deposit bordering the mafic complex, which according to historical records, produced 1.6 MT of ore grading 16.77% Zn, 4.04% Pb and 0.93% V_2O_5 during the period 1967-1975.

Following the success of the SkyTEM survey over Kunene, it has been recommended that an airborne EM/magnetic survey be flown over the project area. Targeted deposit types include magmatic Cu-Ni sulphide deposits within the mafic complex, massive sulphide deposits of the Berg Aukas type in carbonates immediately north of the mafic complex and gold deposits of the Otjikoto type in favourable structures associated with airborne magnetic anomalies to the south of the complex.

The Grootfontein project area comprises two EPLs covering 1,643 km2 located 80 kilometers northeast of B2 Gold's Otjikoto Gold Mine and 20 kilometers northeast of Osino Resources' Otjikoto East Project.

The geology of the property is dominated by the Grootfontein Mafic Complex ("GMC"). Grootfontein lies at the northeastern extremity of the Central Namibian Gold Belt where the Grootfontein Shear Zone ("GSZ") transects the GMC and is bounded to the south by the Waterberg Fault (Figure 14). Gold anomalies identified to date at Grootfontein occur within the mafic rocks of the GMC itself and in basement and Damaran Supergroup rocks in proximity to the Grootfontein Shear Zone. The project area has extensive alluvial and calcrete cover up to 40 meters in thickness.

A structural interpretation of the entire project area was undertaken by Earthmaps Consulting using airborne magnetic and radiometric geophysical data together with 1:250,000 scale geological maps. The study provided a detailed structural analysis of the area delineating the Grootfontein Shear Zone and the Waterberg Fault, and associated second and third order structures considered favourable for gold mineralization, with a focus on the potential of a 50 kilometer long segment of the GSZ. Given the extensive calcrete cover, regional-scale soil sampling was undertaken to identify potentially mineralized zones associated with the GSZ (Figure 15).

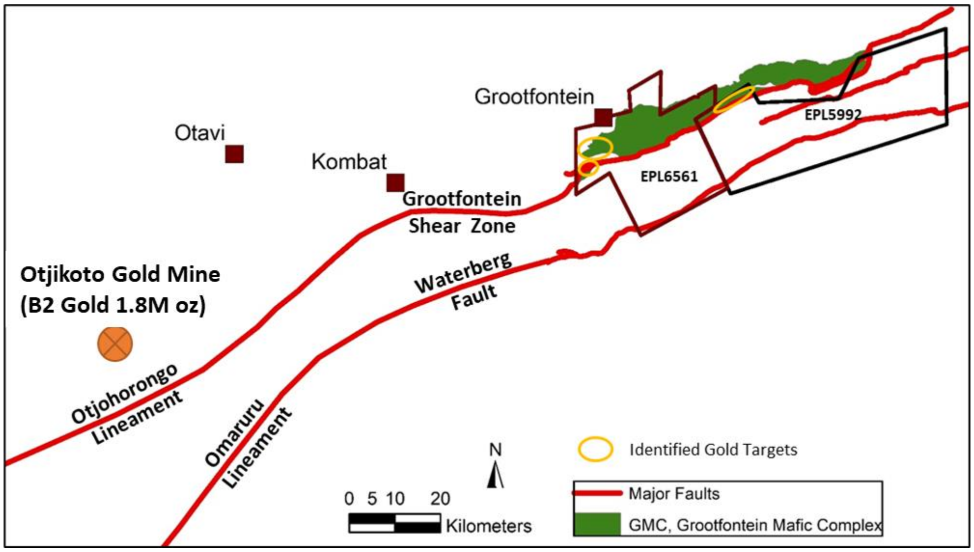


Figure 14 - *Location of the Grootfontein EPLs and relationship to major structures within the Central Namibian Gold Belt.*

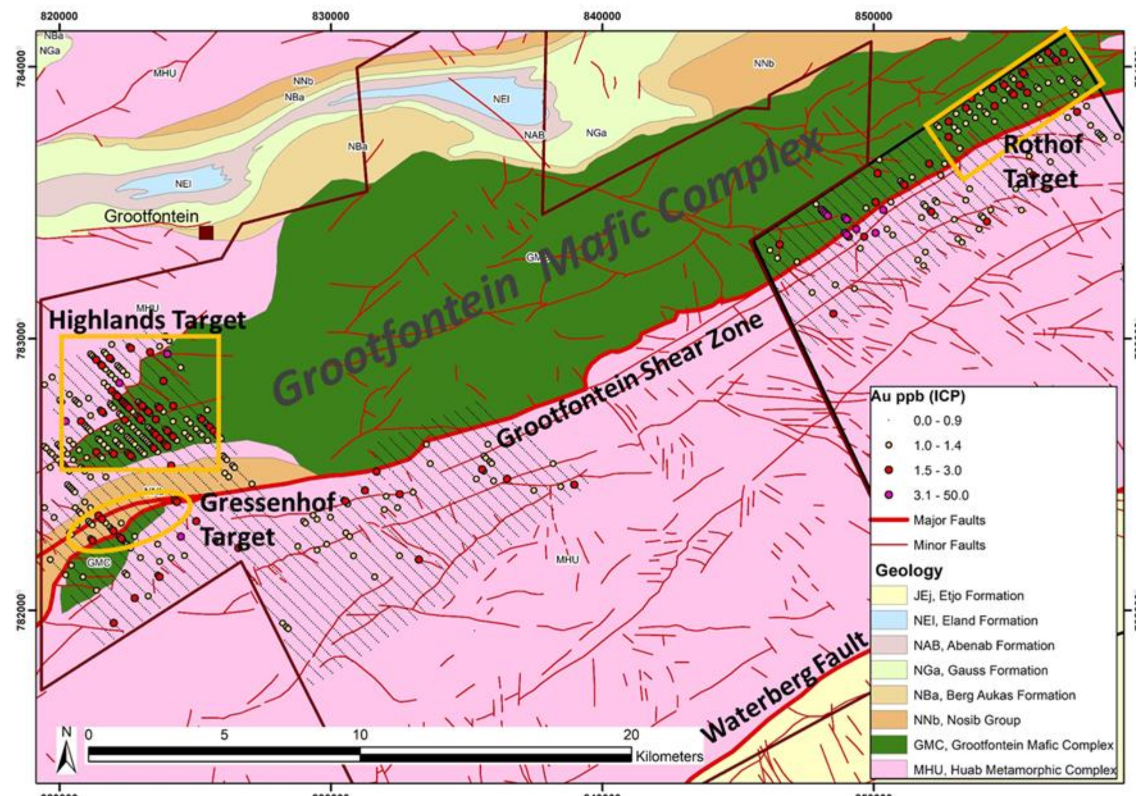


Figure 15 - *Key gold exploration targets at the Grootfontein Project (low detection limit gold ICP analyses of soils). Sampling lines 400 m apart. Structural and lithological interpretations by Earthmaps Consulting*

Results have outlined three large, low-grade gold anomalies of gold related to the GSZ as shown in Figure 15:

- The Highlands Target covers an area of 25 km2 situated 2.5 km north of the Grootfontein Shear Zone. Gold anomalies are associated with second order structures over strike lengths up to 6 kilometers within the Grootfontein Mafic Complex (GMC) and following the contact zone of the GMC and the Huab basement. Orogenic gold deposits in sheared mafic intrusive rocks are well documented and this represents the first such target in the Central Namibian Gold Belt
- The Gressenhof Target is coincident with the Grootfontein Shear Zone over a strike length of 3 kilometers and is underlain by metasediments of the Damaran Supergroup
- The Rothof Target is a well-defined, linear corridor following second order structures over a strike length of 6 kilometers, immediately north of the Grootfontein Shear Zone within the GMC.

Follow-up of all three targets will be undertaken using high-resolution magnetics with UAV (drone) and induced polarization geophysical surveys to delineate drill targets. Regional soil sampling will continue to fill in the 20 kilometer gap between the Gressenhof and Rothof targets along the Grootfontein Thrust Zone and explore the second and third structures within the basement rocks to the south. A budget of $1,500,000 has been proposed for this purpose which includes 5,000 m drilling.

Otjitasu Gold Project

Otjitasu (formerly referred to as Otjiwarongo) is another early stage conceptual target based on remote sensing data in proximity to known alkaline intrusive complexes, most notably the Okorusu complex which hosts the Okorusu fluorspar deposits. Initial interest in area was focused on a circular magnetic anomaly measuring one kilometer in diameter that was interpreted as possible alkaline intrusive plug. Soil sampling and field investigations did not support this interpretation and focus has now returned to the gold potential on the project area. As was noted for Grootfontein, there is potential on Otjitasu for Otjikoto type gold mineralization associated with magnetic anomalies and structures. As previously reported, selected samples were analysed for gold at an accredited laboratory which returned low levels of gold. No further work was undertaken during this reporting period however a budget of $66,000 has been proposed for this purpose.

Erongo Gold Project

The Erongo gold project originally covered an area of over 600 km^2 within the Navachab-Ondundu gold trend. The EPL has recently been renewed with a reduction to 336.8 km^2. There are numerous mineral occurrences within the project area including at least two gold occurrences. The area has been prospected but not systematically explored. Potential targets include skarn and greisen gold-(copper-bismuth) and tin-tungsten mineralization; pegmatites formed during the late Damaran orogeny hosting lithium minerals and semi-precious stones and structurally controlled gold mineralisation. Historical figures indicate small scale mining for all of those deposit types on the property.

A significant gold discovery in the vicinity of the Company's project area was announced by Osino Resources Corp. on August 26, 2019. The Twin Hills discovery was made following extensive regional exploration by Osino and has been described as having many characteristics similar to the Otjikoto gold deposit currently being mined by B2 Gold near Otjiwarongo. Namibia Critical Metals holds ground underlain by the same stratigraphic sequence as occurs at Twin Hills and the Company has therefore assigned priority to initiate a soil sampling program over this area.

The Erongo Project is largely underlain by metasediments of the Damaran Supergroup dominated by a turbiditic sequence of metapelites of the Kuiseb Formation and syntectonic granites of the Damaran Orogen. The Kuiseb Formation hosts the Twin Hills gold project of Osino Resources just 20 km south of the Erongo Project. A structural interpretation of the entire project area by Earthmaps Consulting delineated the Omaruru Fault Zone and the Kanona Fault Zone, both of which are considered prospective for structurally controlled orogenic gold mineralization. Over 8,000 soil samples have been collected and analyzed by handheld XRF for base metals and gold pathfinder elements. All soil samples are pending preparation for low level detection limit gold analyses (Figure 16).

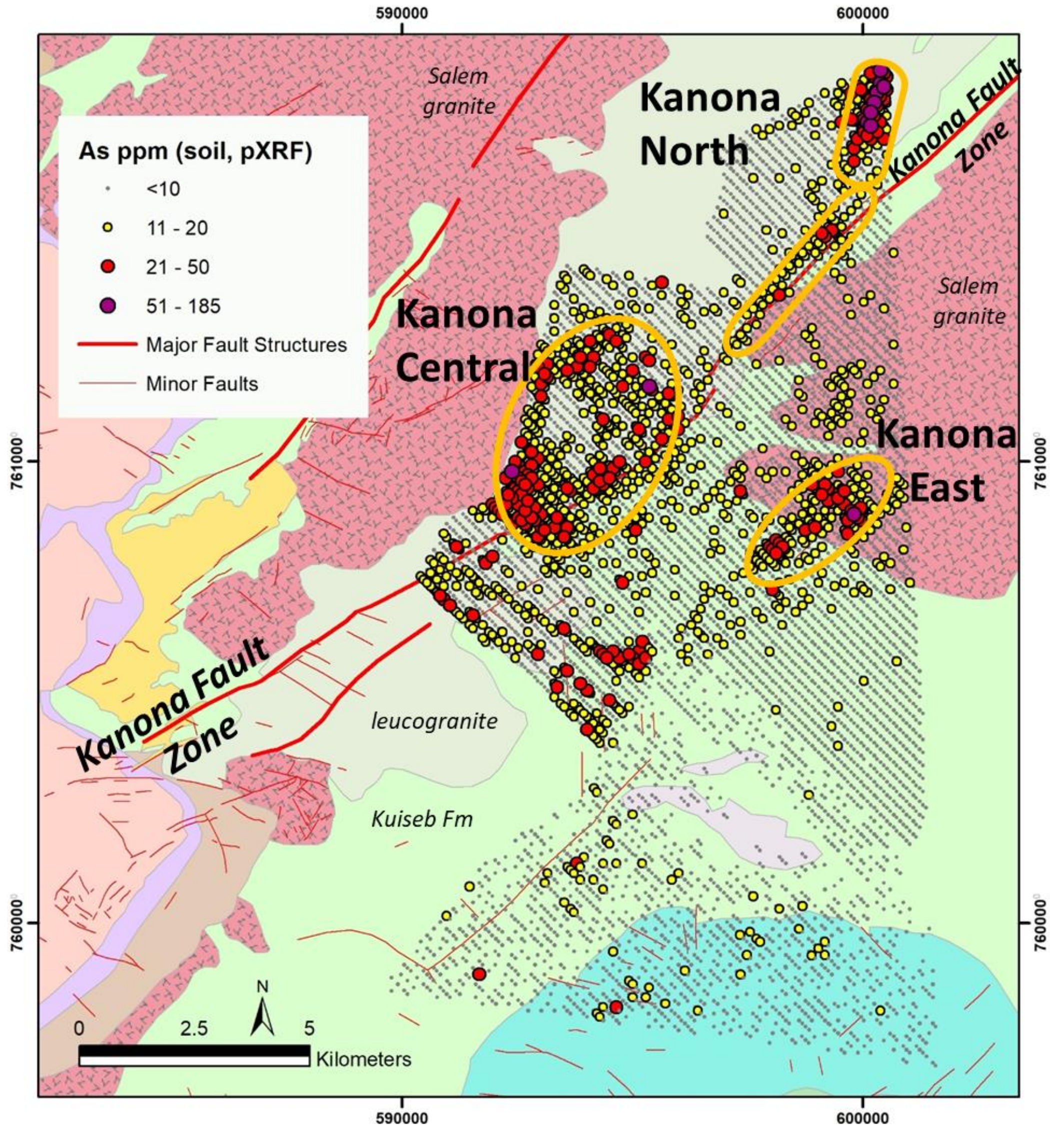


Figure 16 - *Key gold exploration targets at the Erongo Project (arsenic anomalies from handheld XRF analyses of soils). Sampling lines 200 m apart. Structural and lithological interpretations by Earthmaps Consulting*

Based on arsenic anomalies in soils from handheld XRF analyses, three target areas associated with the Kanona Fault have been identified (Figure 16):

- **The Kanona North Target** has a strike length of **4 kilometers** which clearly follows a lower order structure splaying off the main Kanona Fault. This target is defined by the most intense arsenic anomaly in the area and occurs within the Kuiseb Formation and syntectonic leucogranites (orthogneisses)

- **The Kanona Central Target** is similarly situated along the Kanona Fault over a strike length of **6 kilometers** but displays a broader, less confined arsenic anomaly within the Kuiseb Formation and syntectonic leucogranites

- **The Kanona East Target** is a northeast trending linear anomaly with a strike length of **2.5 kilometers** coincident with an interpreted dyke swarm cross-cutting the Karibib Formation into Salem granite.

Further evaluation of all target areas at Erongo are pending results from low detection limit gold analyses of the regional soil samples. Targets with defined gold anomalies will be further evaluated by high-resolution UAV magnetic (drone) and induced polarization geophysical surveys to delineate drill targets. A budget of CD$1,000,000 has been proposed for this purpose which includes 3,000 m drilling.

Other Property Expenditures

For the year ended November 30, 2020, the Company incurred $116,506 (2019: $15,785) in exploration and evaluation expenditures on its other properties and recorded a write down of $114,056 in relation to the Warmbad project. For 2020, the Company estimates its work program at approximately $0.25 million, which will focus on selected exploration programs and metallurgical studies.

Results of Operations

Selected Annual Information

The following table sets out selected financial information for the periods indicated.

	Fiscal Years Ended November 30		
	2020	2019	2018
	$	$	$
OPERATIONS			
Revenue	Nil	Nil	Nil
Net Income (Loss)	(1,408,656)	(708,928)	(1,700,172)
Net Income (Loss) attributable to shareholders	(1,408,120)	(706,496)	(1,693,475)
Net Income (Loss) attributable to non-controlling interest	(536)	(2,432)	(6,697)
Basic and diluted (loss) per share	(0.01)	(0.01)	(0.01)
BALANCE SHEET			
Total assets	30,482,274	29,568,711	30,338,654
Total exploration and evaluation assets	29,394,331	29,184,906	27,712,355

The decrease in net loss in 2019 from 2018 is primarily due to no share-based payments or write down of exploration assets. The increase in net loss in 2020 from 2019 is primarily due to share-based payments. The increase in exploration and evaluation assets each year reflects the acquisition of a portfolio of critical metal properties and the capitalization of ongoing exploration expenditures.

Years ended November 30, 2020 and 2019

For the year ended November 30, 2020, the Company capitalized acquisition and exploration costs of $323,481 (2019 - $1,472,551) related to expenditures on the following properties: Lofdal Rare Earths Project - Nil (2019 - $298,269); Kunene Cobalt-Copper-Gold Project - $197,611 (2019- $1,089,052); Epembe Tantalum-Niobium Project - $9,364 (2019 - $69,445) and Other Properties - $116,506 (2019- $15,785).

For the year ended November 30, 2020 the Company reported a net loss of $1,408,656 compared to a net loss of $708,928 for the prior year.

Expenses were $1,559,869 for the year compared to $764,304 for 2019, primarily due to the following:

Salaries and benefits decreased to $93,498 compared to $183,778 in 2019, due primarily to suspending director compensation;

Consulting fees decreased to $182,661 compared to $225,650 in 2019 due to management changes;

Unrealized Foreign currency exchange gain of $65,833 compared to a loss of $28,733 in 2019;

Shareholder communications decreased to $36,546 compared to $95,300 in 2019, primarily due to decreased investor relations activities;

Share-based payments expense increased to $1,018,000 from Nil in 2019 due to the issuance of options, and

Other and interest income earned increased to $56,105 compared to $20,307 in 2019;

Write down of exploration and evaluation assets increased to $107,656 from Nil in 2019;

Gain on debt settlement increased to $75,421 from Nil in 2019.

Summary of Quarterly Results

The following table sets out selected financial information for the periods indicated (*expressed in Canadian dollars)*:

For the quarters ended	**Nov. 30 2020**	**Aug. 31 2020**	**May 31 2020**	**Feb. 29 2020**	**Nov. 30 2019**	**Aug. 31 2019**	**May 31 2019**	**Feb. 28 2019**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Expenses	1,101,706	93,445	125,961	131,101	162,892	154,181	223,452	223,779
Interest/Other income	(53,289)	(108)	(4,642)	(753)	(12,596)	(10,164)	(12,114)	(20,502)
Gain on debt settlement	Nil	(75,421)	Nil	Nil	Nil	Nil	Nil	Nil
Net and comprehensive (gain) loss	1,031,417	125,572	121,319	130,348	150,296	144,017	211,338	203,277
Net and comprehensive (gain) loss attributable to shareholders	1,031,072	125,979	121,052	130,017	148,986	143,667	210,975	202,868
Net and comprehensive (gain) loss attributable to non-controlling interest	345	(407)	267	331	1,310	350	363	409
(Gain) Loss per share – basic and diluted	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total assets (millions)	30.4	30.7	30.9	30.1	29.6	29.6	29.6	29.9

As the Company has capitalized all exploration expenditures to date in accordance with IFRS 6, the expenses are primarily related to administration. Higher expenses in the quarter ended November 30, 2018 are primarily due to share-based payments expense. Expenses in the two quarters ended May 31, 2019 were normalized. Lower expenses in quarter ended August 31, 2019 were primarily related to lower unrealized exchange rate losses. Lower expenses in the quarters ended Feb 29, 2020, May 31, 2020 and August 31, 2020 are primarily due to lower travel, director compensation, shareholder communications and gain on debt settlement. Higher expenses in the quarter ended November 30, 2020 are primarily due to share-based payments. Included in expenses are foreign exchange gains and losses arising mainly due to variations in the Canadian dollar and the Namibian dollar exchange rate during the periods, as certain of the Company's expenditures are paid in Namibian dollars, while the Company's functional and reporting currency is the Canadian dollar. The Company has interest revenue related to excess cash invested in an interest-bearing account with a major chartered bank.

Fourth Quarter

During the fourth quarter, the Company incurred exploration costs of $118,620 on its Kunene and Other properties (2019 - $221,930). The Company incurred $1,298,162 in administration expenses during the quarter (2019 - $162,892) of which $Nil was share-based payments expense (2019- $Nil).

Liquidity and Capital Resources

At November 30, 2020, the Company had working capital of $32,464 compared to a deficit of ($140,313) at November 30, 2019 as follows:

	November 30, 2020	November 30, 2019
	$	$
Cash and short-term deposits	593,696	183,602
Taxes and other receivables	404,496	99,273
Deposits and prepaid expenses	27,956	21,348
Accounts payables, accrued liabilities and deferred amounts payable	(379,899)	(444,536)
Advance received for exploration work	(613,785)	-
Working capital	**32,464**	**(140,313)**

The Company's principal assets are at an advanced exploration and evaluation stage and as a result the Company has no current source of operating cash flow other than operator fees earned under the JOGMEC agreement. Management and the Board of Directors are cognizant of difficult market conditions and have undertaken steps to secure additional financing.

On April 29, 2020 the Company closed a $350,000 non-brokered private placement.

On August 24, 2020 the Company announced it had entered into an agreement for a draw-down equity financing facility to provide the Company with up to CD$5,000,000 over a 24-month period. Draw-downs are at the Company's discretion in increments of up to CD$250,000. The Company completed a first draw-down of $100,000.

During the year ended November 30, 2020, the Company increased cash of $191,935 for operating activities (2019 – decrease of $825,570) and used cash of $243,964 for investing activities (2019 -

$1,314,047). During the period the Company increased cash of $476,383 from financing activities (2019-$Nil). The increased source of cash in operating activities was related to a deposit from JOGMEC for future exploration work on the Lofdal property and an increase in accounts payable.

Contractual Obligations

There are no contractual obligations other than those under the JOGMEC Agreement which stipulate that advance funds received are to be spent on the Lofdal property as agreed.

Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements.

Share Capital

The Company's authorized capital consists of an unlimited number of common shares without nominal or par value. As of the date of this MD&A, the Company has issued and outstanding 188,407,732 common shares.

Stock options outstanding as of the date of this MD&A:

Exercise price $	Number of Shares	Expiry Date
0.05	1,410,000	November 28, 2021
0.08	150,000	April 7, 2022
0.21	5,350,000	September 19,2023
0.26	4,950,000	September 28, 2025
	11,860,000	

Warrants

As of November 30, 2020 there were 3,194,443 warrants outstanding (2019 – nil) with a weighted average exercise price of $0.19 (2019 -nil)

The following table summarizes information about the Company's warrants outstanding as at November 30, 2020 and November 30, 2019:

Grant Date	Expiration Date	Exercise Price	Balance Outstanding August 31, 2020	Balance Outstanding November 31, 2019
April 28, 2020	October 28, 2021	$0.18	2,916,667	-
August 24, 2020	August 24, 2022	$0.336	277,776	-
Total outstanding			3,194,443	-

Related party transactions

Transactions with key management personnel for the years ended November 30, 2020 and 2019 are as follows:

	2020 $	2019 $
Salaries, director fees and benefits	-	75,000
Share-based payments	925,456	-
Consulting fees	131,611	225,650
Payments received from a shareholder for rental revenue in net loss	-	(18,000)
Total charged to net and comprehensive loss	1,057,067	282,650
Consulting fees charged to exploration and evaluation assets	244,947	323,025
Share-based payments charged to exploration and evaluation assets	-	-
Payments to a shareholder for purchase of fixed assets	-	-
Payments to a shareholder charged to exploration and evaluation assets	617,717	693,693
Total	1,919,731	1,299,368

Key management personnel include officers and directors and companies directly controlled by key management personnel, and payments are for salaries, director fees, and consulting fees and are directly related to their position in the Company.

Included in accounts payable and accrued liabilities and deferred amounts payables are amounts owing to related parties of $193,441 (2019 - $281,579). Included in deposits and prepaid expenses is an amount of $3,500 (2019 - $3,500) representing a retainer on a services contract with an officer of the Company.

Related party transactions are in the ordinary course of business, and are measured at the exchange amount, which is the amount of consideration determined and agreed to by the parties.

Critical Accounting Estimates and Judgments

Critical accounting estimates used in the preparation of the Company's consolidated financial statements, which could be significantly affected by factors beyond the Company's control are as follows:

(i) Valuation of exploration and evaluation assets: The value of the Company's exploration and evaluation assets is dependent upon the success of the Company in discovering economic and recoverable mineral resources, the ability of the Company to obtain financing to complete development of the properties, and future production or proceeds from disposition. The estimation of future revenue flows relating to these assets is uncertain and will also be affected by competition, relative exchange rates between the Canadian dollar and the Namibian dollar and potential new legislation and related environmental requirements.

(ii) Decommissioning liabilities: The Company makes estimates of future site restoration costs based upon current legislation in Namibia, technical reports and estimates provided by the Company's senior employees and advisors. These estimates will be affected by actual legislation in place, actual mining activity to be performed and actual conditions of the relevant sites when the restoration activity is to be performed in future periods.

(iii) Share-based payments: Share-based payments expense is calculated using the Black-Scholes model, a recognized option/warrant valuation formula, which is highly dependent on the expected volatility of the market price of the Company's common shares. Due to the Company's short trading history, the Company uses a volatility rate based on past share trading data from similar entities to predict future volatility, and actual volatility may be different from the estimate used in the valuation formula. Share-based payments expense represents a non-cash expense and, as such, has no impact on the Company's financial position or liquidity.

(iv) Realizable Amount of Deferred Tax Assets: The Company reviews its deferred tax assets at each balance sheet date and reduces the carrying amount to the extent that it is not probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Critical judgments or assessments made by management used in the preparation of the Company's consolidated financial statements, which could be significantly affected by factors beyond the Company's control are as follows:

(i) The determination of a cash-generating unit for assessing and testing impairment, which management has determined to be the mineral property;

(ii) The determination of functional currency;

(iii) The determination of when an exploration and evaluation asset move from the exploration stage to the development stage;

(iv) The determination of when an exploration and evaluation asset is impaired;

(v) Whether exploration and evaluation costs are eligible for capitalization;

(vi) The determination of whether exploration and evaluation assets are considered to be asset acquisitions or business combinations; and

(vii) The assessment of the Company's ability to continue as a going concern.

Changes in Accounting Policies

There were no changes in accounting policies during the period.

Disclosure Controls and Procedures

As at the end of the period covered by this management's discussion and analysis, management evaluated the design and effectiveness of the operation of the Company's disclosure controls and procedures, under the supervision of the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO"). Based on that evaluation, the CEO and CFO have concluded that, as of November 30, 2020, the disclosure controls and procedures (as such terms are defined under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings) are effective to ensure information required to be disclosed in reports filed or submitted under Canadian securities legislation is recorded, processed, summarized and reported within the time periods specified therein.

Because of inherent limitations in all control systems, no evaluation of controls can provide absolute assurance the Company's disclosure controls and procedures will detect or uncover every situation involving the failure of persons within the Company, and its subsidiaries, to disclose material information otherwise required to be set forth in the Company's periodic reports. Further, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of a change in conditions, or the degree of compliance with the policies and procedures may deteriorate.

Management, under the supervision of the CEO and CFO, has evaluated the effectiveness of internal controls over financial reporting. Based on this evaluation, the CEO and CFO have concluded that internal controls over financial reporting were effective as of November 30, 2020.

There have been no material changes in the Company's internal controls over financial reporting during the year ended November 30, 2020 that have materially affected, or are reasonably likely to materially affect, the Company's internal controls over financial reporting.

Financial Instruments

Initial recognition and measurement
Financial assets within the scope of IFRS 9 are classified as financial assets at amortized cost; FVTPL; or fair value through other comprehensive income, as appropriate. The Company determines the classification of its financial assets at initial recognition. All of the Company's financial assets are recognized initially at fair value and are subsequently measured at amortized cost. The Company's financial assets include cash and short-term deposits and receivables.

Impairment of financial assets at amortized cost
Impairment provisions on receivables are based on credit risk characteristics, collateral and speculative and non-speculative historical default rates. Receivables are written off when there is no reasonable expectation of recovery.

Financial liabilities
Initial recognition and measurement
Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at FVTPL, or at amortized cost. The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value. The Company's financial liabilities include accounts payable and accrued liabilities and deferred amounts payable and are measured at amortized cost.

The Company may be affected by credit risk, liquidity risk, exchange rate risk, interest rate risk and commodity price risk. The Company's exposure to credit risk is primarily attributable to cash and the Company limits this risk by maintaining these assets in a high-interest savings account with high-credit quality financial institution. Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The company manages this risk through regular monitoring and adjustment of its cash flow requirements to support ongoing operations and to ensure, to the extent possible, that there is sufficient cash on hand to meet its liabilities when due. In the event the Company obtains the permits and necessary approvals to proceed with the development of the Lofdal property, it will require substantial additional capital resources and there can be no assurance that funding will be available to the Company in the future on acceptable terms. Exchange rate risk arises as the Company's functional currency is the Canadian dollar while certain of the Company's expenditures are denominated in Namibia dollars (which are equal to the South African rand), US dollars, British Pounds, Australian dollars, and Euros. The Company does not currently undertake any hedging activities to mitigate exchange rate risk. The Board continues to monitor the situation and will consider various options to mitigate this risk as it deems appropriate as the business develops. Interest rate risk arises as the Company invests cash at floating rates of interest. The impact of fluctuations in interest rates is not significant. The Company does not have any interest-bearing liabilities. The Company's financial instruments are not exposed to any direct commodity price risk, as the Company does not have any financial instruments associated with commodity prices and currently has no revenues derived from mining operations. Fluctuation in commodity prices do however impact the overall viability of the Company as is common in the mineral exploration and mining industries.

Risks and Uncertainties

In conducting its business, the principal risks and uncertainties faced by the Company relate primarily to exploration results and, to a lesser extent, metal and commodity prices. In addition, the Company has working capital of $32,464. The Company's ability to continue as a going concern is dependent on a number of factors, including the ability of the Company to arrange financing for 2021. Exploration for minerals and development of mining operations involve many risks, many of which are outside the Company's control. In addition to the normal and usual risks of exploration and mining, the Company has the following risks specific to conducting its exploration activities in Namibia: there is no assurance that the supportive political and economic conditions that currently exist in Namibia will remain; the Company's ability to obtain, sustain, renew or vary the necessary licences, permits and authorizations to carry on the activities that it is currently conducting on acceptable terms is subject to changes in regulations and policies and to the discretion of the applicable governmental bodies and there can be no assurance that the Company will be able to obtain, sustain, renew or vary any such licences, permits of authorizations on acceptable terms or at all; in particular, the Company currently has an application pending for a mining permit over Area 4 of the Lofdal property and there is no guarantee that the permit will be granted; environmental legislation and permitting requirements are likely to evolve in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their directors and employees, and any failure by the Company to comply with applicable environmental regulations or the stoppage of exploration or production activities could have a materially adverse effect on the Company's business, financial condition and results of operations; the per capita incidence of the HIV/AIDS virus in Namibia has been estimated as being in the mid to high range, according to public sources, and if the number of new HIV/AIDS infections in Namibia continues to increase and if the Government of Namibia imposes more stringent obligations on employers related to HIV/AIDS prevention and treatment, the Company's operations in Namibia and its profitability and financial condition could be adversely affected; as a result of a substantial portion of the Company's assets being located in Namibia, there may be difficulties in enforcing against the Company judgments obtained in Canadian courts predicated upon the civil liability provisions of applicable Canadian securities legislation for misrepresentations contained in the Company's public disclosure documents and, in particular, it may be practically impossible to enforce foreign court judgments against the Company in Namibia; and Namibia is part of the South African Rand Common Monetary Area ("CMA") which has exchange controls that require that dividends, loans, repayment of loans and payment of all invoices to parties outside the CMA require prior approval of the Bank of Namibia and there can be no assurance that the Company will obtain the requisite approvals in the future to repay loans or pay invoices to parties outside the CMA, thereby potentially restricting the Company from repatriating funds and using those funds for other purposes.

Covid-19 - During the first quarter of 2020, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the Canadian and Namibian governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Company as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the extent of the impact is unknown, we anticipate this outbreak may cause reduced customer demand, supply chain disruptions and staff shortages, all of which may negatively impact the Company's business and financial condition. Exploration operations including our site camps were minimally impacted during the year.

Additional Information

The financial statements and additional information regarding the Company are available on SEDAR at www.sedar.com.

Independent auditor's report

To the Shareholders of Namibia Critical Metals Inc.

Our opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Namibia Critical Metals Inc. and its subsidiaries (together, the Company) as at November 30, 2020 and 2019, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS).

What we have audited

The Company's consolidated financial statements comprise:

- the consolidated statements of financial position as at November 30, 2020 and 2019;
- the consolidated statements of loss and comprehensive loss for the years then ended;
- the consolidated statements of changes in equity for the years then ended;
- the consolidated statements of cash flows for the years then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Material uncertainty related to going concern

We draw attention to Note 1 in the consolidated financial statements, which describes events or conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

PricewaterhouseCoopers LLP
Cogswell Tower, 2000 Barrington Street, Suite 1101, Halifax, Nova Scotia, Canada B3J 3K1
T: +1 902 491 7400, F: +1 902 422 1166

Other information

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

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

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

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

Auditor's responsibilities for the audit of the consolidated financial statements

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

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

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

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

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

The engagement partner on the audit resulting in this independent auditor’s report is Maxime Lessard.

/s/PricewaterhouseCoopers LLP

Chartered Professional Accountants

Halifax, Nova Scotia
March 24, 2021

Namibia Critical Metals Inc.

Consolidated Statements of Financial Position

As at November 30, 2020 and 2019 (in Canadian dollars)

	November 30, 2020 $	November 30, 2019 $
Assets		
Current assets		
Cash and short-term deposits	593,696	183,602
Taxes and other receivables (note 4)	404,496	99,273
Deposits and prepaid expenses	27,956	21,348
	1,026,148	304,223
Equipment (note 5)	61,795	79,582
Exploration and evaluation assets (note 6)	29,394,331	29,184,906
	30,482,274	29,568,711
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (note 7)	379,899	159,704
Deferred amounts payable (note 7)	-	284,832
Advances received for future exploration work (note 6)	613,785	-
	993,684	444,536
Loan payable (note 14)	23,407	-
	1,017,091	444,536
Shareholders' Equity		
Equity attributable to the shareholders of the Company (note 8)	29,321,249	28,973,304
Non-controlling interest	143,934	150,871
	29,465,183	29,124,175
	30,482,274	29,568,711

Nature of operations and going concern (note 1)
Subsequent events (note 15)

Approved by the Board of Directors on March 24, 2021:

"Steve E. Kapp"
Director

"William Price"
Director

See accompanying notes to the consolidated financial statements

Namibia Critical Metals Inc.
Consolidated Statements of Loss and Comprehensive Loss

For the years ended November 30, 2020 and 2019 (in Canadian dollars except share and per share amounts)

	Year ended November 30	
	2020	**2019**
	$	**$**
Operating expenses		
Salaries and benefits (note 7)	93,498	183,778
Office and administration	71,032	59,336
Consulting fees (note 7)	182,661	225,650
Professional fees	79,162	108,569
Share-based payments (notes 7 and 8)	1,018,000	-
Travel	6,627	34,860
Listing and filing fees	30,520	27,082
Shareholder communications	36,546	95,300
Foreign currency exchange loss (gain)	(65,833)	28,733
Write-down of exploration and evaluation assets	107,656	-
Property investigation	-	996
	(1,559,869)	(764,304)
Other income		
Interest income	3,364	20,307
Government assistance benefit (note 14)	17,000	-
Gain on debt settlement (note 8)	75,421	-
Gain on disposal of equipment	2,530	-
Other income (note 6)	52,898	35,069
Net loss and comprehensive loss for the year	(1,408,656)	(708,928)
Net loss and comprehensive loss attributable to:		
Shareholders of the Company	(1,408,120)	(706,496)
Non-controlling interest	(536)	(2,432)
	(1,408,656)	(708,928)
Loss per share - Basic and diluted	(0.01)	(0.01)
Weighted average number of shares outstanding – Basic and diluted	182,945,272	180,325,121

See accompanying notes to the consolidated financial statements.

Namibia Critical Metals Inc.

Consolidated Statements of Changes in Equity

For the years ended November 30, 2020 and 2019 (in Canadian dollars)

	Common Shares Without Par Value		Share-based Payments Reserve	Contributed Surplus	Deficit	Total Shareholders' Equity	Non-controlling interests	Total Equity
	Shares	Amount						
	#	$	$	$	$	$	$	$
Balance, Nov 30, 2019	180,325,121	44,249,508	1,601,344	5,272,556	(22,150,104)	28,973,304	150,871	29,124,175
Issuance of shares per private placements	3,472,222	436,383	-	-	-	436,383	-	436,383
Issuance of shares per debt settlement	1,508,412	301,682	-	-	-	301,682	-	301,682
Share-based payments	-	-	1,018,000	-	-	1,018,000	-	1,018,000
Expiry of options	-	-	(519,947)	519,947	-	-	-	-
Disposal of subsidiaries (note 6)	-	-	-	-	-	-	(6,401)	(6,401)
Net loss and comprehensive loss	-	-	-	-	(1,408,120)	(1,408,120)	(536)	(1,408,656)
Balance, Nov 30, 2020	**185,305,755**	**44,987,573**	**2,099,397**	**5,792,503**	**(23,558,224)**	**29,321,249**	**143,934**	**29,465,183**

	Common Shares Without Par Value		Share-based Payments Reserve	Contributed Surplus	Deficit	Total Shareholders' Equity	Non-controlling interests	Total Equity
	Shares	Amount						
	#	$	$	$	$	$	$	$
Balance, Nov 30, 2018	180,325,121	44,249,508	1,664,086	5,209,814	(21,443,608)	29,679,800	153,303	29,833,103
Expiry of options	-	-	(62,742)	62,742	-	-	-	-
Net loss and comprehensive loss	-	-	-	-	(706,496)	(706,496)	(2,432)	(708,928)
Balance, Nov 30, 2019	**180,325,121**	**44,249,508**	**1,601,344**	**5,272,556**	**(22,150,104)**	**28,973,304**	**150,871**	**29,124,175**

See accompanying notes to the consolidated financial statements

Namibia Critical Metals Inc.
Consolidated Statements of Cash Flows

For the years ended November 30, 2020 and 2019 (in Canadian dollars)

	2020 $	2019 $
Cash provided by (used in)		
Operating activities		
Net loss for the year	(1,408,656)	(708,928)
Adjustments for:		
Unrealized foreign currency exchange loss (gain)	(65,833)	28,618
Interest income recognized in net loss	(3,364)	(20,307)
Write-down of exploration and evaluation assets	107,656	-
Non-cash interest expense on loan payable	407	-
Gain on sale of equipment	(2,530)	-
Government assistance benefit (note 14)	(17,000)	-
Share-based payments	1,018,000	-
Gain on debt settlement (note 8)	(75,421)	-
	(446,741)	(700,617)
Net change in non-cash working capital balances related to operations		
Decrease (increase) in amounts receivable, deposits and prepaid expenses	(275,375)	50,678
Increase (decrease) in accounts payable and accrued liabilities and deferred amounts payable (note 11)	300,266	(175,631)
Advances received for future exploration work, net of expenditures (note 6)	613,785	-
	191,935	(825,570)
Investing activities		
Interest income received	3,364	20,307
Proceeds from disposal of equipment	35,665	(1,843)
Expenditures on exploration and evaluation assets, net of recoveries (note 11)	(282,993)	(1,332,511)
	(243,964)	(1,314,047)
Financing activities		
Issuance of share capital, net of costs	436,383	-
Proceeds from loan payable (note 14)	40,000	-
	476,383	-
Effect of exchange rate changes on cash	(14,260)	(20,175)
Net change in cash during the year	410,094	(2,159,792)
Cash and short-term deposits – Beginning of year	183,602	2,343,394
Cash and short-term deposits – End of year	593,696	183,602

Supplemental cash flow information (note 11)

See accompanying notes to the consolidated financial statements.

1. Nature of operations and going concern

Namibia Critical Metals Inc. (the "Company", formerly known as Namibia Rare Earths Inc.) was incorporated pursuant to the Canada Business Corporations Act on April 26, 2010. The Company is a public company listed on the TSX Venture Exchange (the "TSXV"), trading under the symbol "NMI". The address of the Company's corporate office and principal place of business is Suite 802, 1550 Bedford Highway, Halifax, Nova Scotia, Canada.

The Company is in the business of exploring and developing a diversified portfolio of critical metals properties in Namibia. The amount shown as exploration and evaluation assets, all of which are located in Namibia, represents costs net of recoveries to date, less amounts written off, and do not necessarily represent present or future values. The Company has not yet determined whether its exploration and evaluation assets contain economically recoverable reserves. The recoverability of the amounts shown for exploration and evaluation assets is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of the properties, and future profitable production or proceeds of disposition thereof.

These consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and settlement of liabilities in the normal course of business as the liabilities come due.

The Company has reported losses to date and at November 30, 2020 has an accumulated deficit of $23,558,224 (2019 - $22,150,104) and working capital of $32,464 (2019 – deficit of $140,313). The Company does not generate income or sufficient cash flows from operations. In addition to its working capital requirements, the Company must secure sufficient funding to maintain legal title to its exploration and evaluation assets and to fund its exploration and development activities and its general and administration costs.

The Company's ability to continue as a going concern is dependent upon its ability to fund its working capital and exploration requirements, and eventually to generate positive cash flows, either from operations or sale of its properties. On January 27, 2020, the Company entered into an agreement with Japan Oil, Gas and Metals National Corporation ("JOGMEC"), which provides JOGMEC with the right to earn a 50% interest in the Lofdal rare earths property by funding $20 million in exploration and development expenditures (note 6). The agreement includes a minimum investment of $3 million, which is non-refundable. During the year ended November 30, 2020, the Company completed private placements for net proceeds of $436,383 and settled $377,103 of accrued payables to officers, directors and consultants through the issuance of 1,508,412 common shares of the Company. The Company also secured a $5 million drawdown Equity Facility with Alumina Partners (Ontario) Ltd. ("Equity Facility"), an affiliate of New York-based private equity firm Alumina Partners, LLC., on August 24, 2020 that is structured to provide the Company with timely access to private placement financing as and when required. Under the terms of the Equity Facility agreement, the Company has the right to draw down on the $5,000,000 facility, for a two-year period ending August 24, 2022, at its sole discretion, through equity private placement tranches of up to $250,000 each.

In addition to the above, management continues to evaluate alternatives to secure additional favorable financing so that the Company can continue to operate as a going concern. Nevertheless, there can be no assurance that these initiatives will be successful or sufficient. These circumstances cast significant doubt upon the Company's ability to continue as a going concern. These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and consolidated statement of financial position classifications that would be necessary were the going concern assumption inappropriate, and these adjustments could be material.

During the first quarter of 2020, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the Canadian and Namibian governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Company as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the extent of the impact is unknown, we anticipate this outbreak may cause reduced customer demand, supply chain disruptions and staff shortages, all of which may negatively impact the Company's business and financial condition. Exploration operations, including our site camps, were minimally impacted during the year.

For the years ended November 30, 2020 and 2019 (in Canadian dollars)

2. Basis of Preparation

a) Statement of Compliance

These consolidated financial statements, including comparative figures, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

These consolidated financial statements were authorized for issue by the Audit Committee of the Board of Directors on March 24, 2021.

b) Basis of Measurement

These consolidated financial statements have been prepared on a historical cost basis, using the accrual basis of accounting, except for certain financial instruments that are measured at fair value at the end of each reporting period as explained in the accounting policies.

c) Basis of Consolidation

These consolidated financial statements include the accounts of the Company's subsidiaries as at November 30, 2020 listed below. All inter-company balances and transactions are eliminated upon consolidation. During the year ended November 30, 2020, the Company disposed of four, mostly inactive, subsidiaries (note 6).

Subsidiary	Jurisdiction	Nature of business	Direct or Indirect ownership
Cayman Namibia Rare Earths Ltd.	Cayman Islands	Asset holding company	100%
Namibia Rare Earths (Pty) Ltd.	Namibia	Asset holding company	100%
Gecko Gold Holdings (Pty) Ltd.	Namibia	Asset holding company	95%
Gecko Gold Mining (Pty) Ltd.	Namibia	Asset holding company	95%
Epembe Holdings (Pty) Ltd.	Namibia	Asset holding company	95%
Epembe Mining (Pty) Ltd.	Namibia	Asset holding company	95%
Kunene Resources Holdings (Pty) Ltd.	Namibia	Asset holding company	95%
Solarwind Investments (Pty) Ltd.	Namibia	Asset holding company	95%
Kunene Resources Namibia (Pty) Ltd.	Namibia	Asset holding company	95%
Philco 174 (Pty) Ltd.	Namibia	Asset holding company	95%
Philco 180 (Pty) Ltd.	Namibia	Asset holding company	95%

d) Critical Accounting Estimates and Judgments

The preparation of these consolidated financial statements requires management to make estimates, judgments and assumptions that affect the amounts reported in the consolidated financial statements and notes. By their nature, these estimates, judgments and assumptions are subject to measurement uncertainty and the effect of changes in these estimates in future periods could be material. These estimates are based on historical experience, current and future economic conditions, and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates. Revisions to estimates are accounted for prospectively. The more significant areas requiring the use of management estimate and judgments are as follows:

Critical accounting estimates

The amounts recorded for share-based payments are based on estimates. The Black Scholes model is used to estimate the value of options and incorporates assumptions for expected volatility, expected number of options to vest, dividend yield, risk-free interest rate, expected forfeitures and expected life of the options. Changes in these assumptions may result in a material change to the expense recorded for the issuance of stock options and warrants.

The recoverability of amounts shown for exploration and evaluation assets is dependent on the discovery of economic reserves, the ability of the Company to obtain financing to complete development of the properties, and future production or proceeds from disposition, and is based on assumptions about future events and circumstances.

The Company makes estimates of future site restoration costs based on current legislation, technical reports, and management's estimates. These estimates will be affected by legislation in place, exploration or mining activity to be performed, and conditions of the relevant sites when the restoration activity is to be performed in future periods. Management's assumption that there are currently no decommissioning liabilities is based on the facts and circumstances that existed during the year.

Critical accounting judgments

The following accounting policies involve judgments or assessments made by management:

- The determination of a cash-generating unit for assessing and testing impairment, which management has determined to be individual mineral properties;
- The determination of the functional currency of the Company and of its subsidiaries;
- The determination of when an exploration and evaluation asset is impaired;
- Whether exploration and evaluation costs are eligible for capitalization;
- The determination of whether an acquisition of exploration and evaluation assets is considered to be an asset acquisition or a business combination; and
- The assessment of the Company's ability to continue as a going concern.

3. Significant Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, unless otherwise indicated.

a) Cash and short-term deposits

Cash consists of cash on hand, demand deposits and money market funds.

b) Foreign Currency Translation

These consolidated financial statements are presented in Canadian dollars, which is the functional currency of the Company and its subsidiaries. Primary and secondary indicators are used to determine the functional currency. The primary indicator which applies to the Company is the currency that mainly influences expenses. Secondary indicators include the currency in which funds from financing activities are generated.

Transactions in currencies other than the Company's functional currency are recorded at the rates of exchange prevailing at the dates of the transactions except for depreciation which is translated at historical exchange rates. At each consolidated statement of financial position date, monetary assets and liabilities are translated using the period-end exchange rate. Non-monetary assets and liabilities are translated using the historical rate on the date of the transaction. All gains and losses on translation of these foreign currency transactions are included in the consolidated statement of loss and comprehensive loss.

c) Exploration and Evaluation Assets

Exploration and evaluation expenditures include the costs of acquiring licenses, costs associated with exploration and evaluation activity, and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. Exploration and evaluation expenditures are capitalized as incurred. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in profit or loss.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, which management has determined to be indicated by a feasibility study and the Company's decision to proceed with development, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to resource property and development assets.

An impairment review of exploration and evaluation assets is performed, either individually or at the cash generating unit level, when there are indicators the carrying amount of the assets may exceed their recoverable amounts. One or more of the following facts and circumstances indicate that the Company should test exploration and evaluation assets for impairment: (a) the period for which the Company has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed; (b) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned; (c) exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the Company has decided to discontinue such activities in the specific area; or (d) sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale. To the extent this occurs, the excess is fully provided against the carrying amount, in the period in which this is determined. Exploration and evaluation assets are assessed on an annual basis and these costs are carried forward provided at least one of the following conditions is met: (a) such costs are expected to be recovered through successful exploration and development and of the area of interest or by its sale; or (b) exploration and evaluation activities in the area have not yet reached a stage that permits reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in relation to the area are continuing, or planned in the future.

The Company may enter in joint arrangements to further pursue exploration and development activities on its exploration and evaluation assets. When funding is received by a third party to be spent on exploration and development activities on the Company's exploration and evaluation assets, such as the Term 1 of the JOGMEC agreement (note 6), the funding received is deferred and recognized as a liability until costs are incurred. The costs are not capitalized to the Company's exploration and evaluation assets when the costs are funded by a third party. In certain instances, the Company may act as the operator and receive an operator fee to cover its overhead costs. This operator fee is first recognized against costs incurred and the excess is recognized as other income on the consolidated statement of loss and comprehensive loss.

d) Equipment

Items of equipment are recorded at cost and depreciated over their estimated useful lives. The cost of an item includes the purchase price and directly attributable costs to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Where an item of equipment comprises major components with different useful lives, the components are accounted for as separate items of equipment.

Depreciation is recognized using the following rates and methods:

Motor vehicles	20% declining balance
Exploration equipment	20% declining balance
Office equipment	30% declining balance

Depreciation methods, useful lives and residual values are reviewed at each financial year end and are adjusted if appropriate.

e) Impairment of Non-Financial Assets, excluding Exploration and Evaluation Assets

The Company's non-financial assets are reviewed for indicators of impairment at each reporting date. If an indicator of impairment exists, the asset's recoverable amount is estimated.

An impairment loss is recognized when the carrying amount of an asset, or its cash-generating unit, exceeds its recoverable amount. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Impairment losses are recognized in the consolidated statement of loss and comprehensive loss for the period. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

The recoverable amount is the greater of the asset's fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

f) Share-based Payments

The fair value of options granted is recognized as an expense or capitalized as exploration and evaluation assets as appropriate, with a corresponding increase in equity.

The fair value of options granted to employees or those providing similar services is measured using the Black-Scholes option pricing model. The fair value is determined at the grant date and is expensed or capitalized over the period during which the share purchase options vest and is based on the Company's estimate of the shares that will eventually vest.

The fair value of options granted to non-employees is measured at the fair value of the goods or services received, on the date they are received. If the fair value of the services received cannot be estimated reliably, the fair value of the share purchase options is measured using the Black-Scholes option pricing model.

At each financial position reporting date, the amount recognized is adjusted to reflect the actual number of options that are expected to vest. For share-based payment awards with no vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and is not adjusted for differences between actual and expected outcomes.

g) Income Taxes

Income tax consists of current and deferred tax and is recognized in the consolidated statement of loss and comprehensive loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable for previous years.

Deferred tax assets and liabilities are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled.

The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs.

A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced.

Deferred tax assets and liabilities of the same taxable entity are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities, they relate to income taxes levied by the same taxation authority, and the Company intends to settle its current tax assets and liabilities on a net basis.

h) Earnings (loss) per Share

Earnings (loss) per share is computed by dividing the net loss attributable to common shareholders by the weighted average number of shares outstanding during the period. Diluted earnings (loss) per share is computed similar to basic earnings per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding and in-the-money stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods.

i) Financial Instruments

Financial assets
Financial assets are classified as financial assets at amortized cost; fair value through profit and loss (“FVTPL”); or fair value through other comprehensive income, as appropriate. The Company determines the classification of its financial assets at initial recognition. All of the Company's financial assets are recognized initially at fair value and are subsequently measured at amortized cost. The Company’s financial assets include cash and short-term deposits and other receivables.

Financial liabilities
Financial liabilities are classified as financial liabilities at FVTPL, or at amortized cost. The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value. The Company’s financial liabilities include accounts payable and accrued liabilities, deferred amounts payable and loan payable and are subsequently measured at amortized cost.

j) Decommissioning Liabilities

A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, as soon as the obligation to incur such costs arises. A pre-tax discount rate that reflects the time value of money and the risks specific to the liability are used to calculate the net present value of the expected future cash flows. These costs are charged to the consolidated statement of loss and comprehensive loss over the economic life of the related asset, through depreciation expense using either the unit-of-production or the straight-line method as appropriate. The related liability is progressively increased each period as the effect of discounting unwinds, creating an expense recognized in the consolidated statement of loss and comprehensive loss. The liability is assessed at each reporting date for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation.

Costs for restoration of subsequent site damage which is created on an ongoing basis during production are provided for at their net present values and charged against profits as extraction progresses.

The Company has no material restoration, rehabilitation and environmental liabilities as restoration and environmental compliance work related to exploration activities is completed on an ongoing basis and therefore the disturbance to date is minimal.

k) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance expense (“notional interest”).

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic benefits will be required, the provision is reversed.

For the years ended November 30, 2020 and 2019 (in Canadian dollars)

l) Warrants

Proceeds on the issuance of warrants are recorded in a separate component of equity as the warrants give right to a fixed number of the Company's common shares. Costs incurred on the issuance of warrants are recognized as a deduction from warrant proceeds. Warrants issued with common shares are measured using the residual fair value method. The fair value is included as a component of equity and is transferred from warrants to share capital on exercise.

4. Taxes and Other Receivables

	2020	**2019**
	$	$
HST receivable – Canada	21,351	17,244
VAT receivable – Namibia	382,044	78,540
Other receivables	1,101	3,489
Total receivables	404,496	99,273

There is doubt of the collectability of the Namibian VAT refund claims totaling $382,044 due to recent inconsistent treatment of approving and issuing refund claims to exploration companies by the Namibian Ministry of Finance. The Company has been advised that all outstanding VAT refund claims are being held pending the outcome of a current court case on this matter and further review by the Namibian government.

5. Equipment

Cost	**Office equipment**	**Exploration equipment**	**Motor vehicles**	**Total equipment**
November 30, 2019	10,140	90,428	168,897	269,465
Disposals	(10,140)	-	(19,859)	(29,999)
November 30, 2020	-	90,428	149,038	239,466

Accumulated Depreciation	**Office equipment**	**Exploration equipment**	**Motor vehicles**	**Total equipment**
November 30, 2019	10,140	59,000	120,743	189,883
Depreciation	-	6,552	11,235	17,787
Disposals	(10,140)	-	(19,859)	(29,999)
November 30, 2020	-	65,552	112,119	177,671

Net book value	**Office equipment**	**Exploration equipment**	**Motor vehicles**	**Total equipment**
November 30, 2019	-	31,428	48,154	79,582
November 30, 2020	-	24,876	36,919	61,795

Depreciation charged on exploration equipment of $17,787 (2019 - $17,472) has been capitalized to exploration and evaluation assets.

For the years ended November 30, 2020 and 2019 (in Canadian dollars)

6. Exploration and evaluation assets

	November 30, 2018 $	Acquisitions and Expenditures $	November 30, 2019 $	Acquisitions and Expenditures $	Disposals and write-downs $	November 30, 2020 $
Lofdal Rare Earths	22,972,837	298,269	23,271,106	-	-	23,271,106
Kunene Cobalt-Copper	3,636,127	1,089,052	4,725,179	197,611	-	4,922,790
Epembe Tantalum-Niobium	873,084	69,445	942,529	9,364	-	951,893
Other	230,307	15,785	246,092	116,506	(114,056)	248,542
	27,712,355	**1,472,551**	**29,184,906**	**323,481**	**(114,056)**	**29,394,331**

Lofdal rare earths property

The Lofdal rare earths property comprises an exclusive prospecting license ("EPL 3400") located approximately 450 kilometres northwest of the capital city of Windhoek and 25 kilometres northwest of the town of Khorixas in the Kunene Region of north-western Namibia. EPL 3400, which provides for mineral rights to base and rare metals, and precious metals, was originally granted in 2005. It was renewed by the Government of Namibia in February 2017 for a further two-year period to November 16, 2018 and again on May 14, 2019 for a two-year period to May 14, 2021. In November 2016, the Company submitted an application to the Ministry of Mines and Energy for a Mining License and received notice in December 2020 of the Ministry's preparedness to grant the Mining License. The property is subject to a 2% net smelter revenue royalty.

Partnership with JOGMEC on Lofdal

On January 27, 2020, the Company announced that it had signed an agreement with JOGMEC to jointly explore, develop, exploit, refine and/or distribute mineral products from Lofdal. The agreement provides JOGMEC with the right to earn a 50% interest in the project by funding a total of $20,000,000 in exploration and development expenditures under the following terms:

Term 1 – JOGMEC will fund $3,000,000 in exploration expenditures up to March 31, 2021. The first term funding amount is non-refundable and JOGMEC earns no interest in the Lofdal project;

Term 2 – JOGMEC is entitled to elect to contribute an additional $7,000,000 in exploration expenditures from April 1, 2021 – March 31, 2024 to earn a 40% interest in the Lofdal project; and

Term 3 – JOGMEC is entitled to elect to contribute an additional $10,000,000 in exploration and development expenditures from April 1, 2024 – March 31, 2028 to earn an additional 10% interest in the Lofdal project.

Once JOGMEC has completed and exercised its 50% earn-in and a feasibility study has been completed on the project, JOGMEC has the right to purchase an additional 1% interest in the project from the Company for $5,000,000 and thereafter to exclusively provide funding to develop the project subject to the Company's interest in the Project not being diluted below 26%.

On September 21, 2020, the Company announced that JOGMEC elected to provide an additional $1,100,000 to Term 1 to fund additional and accelerated drilling at the Lofdal Heavy Rare Earth Project.

During the year ended November 30, 2020, the Company received $3,303,455 from JOGMEC for exploration expenditures on the Lofdal property. As of November 30, 2020, $2,689,670 in exploration expenditures have been incurred. The Company has recorded $810,648 as a liability for advances received for future exploration work. Amounts received in excess of the Term 1 amount of $3 million are also non-refundable and will be credited to Term 2 expenditures.

For the years ended November 30, 2020 and 2019 (in Canadian dollars)

The expenditures incurred related to the JOGMEC agreement for the year ended November 30, 2020 are summarized in the following table:

LOFDAL-JOGMEC EXPENDITURES	YTD November 30 2020
Project Management	81,756
Geology, Drilling, Sample Analysis	2,132,324
43-101 Resource and Mine Model Update	63,394
Metallurgy	255,381
Operator's Fee	139,374
Other	17,441
TOTAL PROJECT EXPENDITURES	**$ 2,689,670**

As part of the agreement with JOGMEC, the Company is entitled to an operator fee of 10% of the direct costs incurred, which is limited to 5% for any contracts requiring aggregate payments of more than $100,000. The Company first recognized the operator fees against evaluation and exploration expenditures, as cost recoveries, and recognized the excess as other income in the consolidated statement of loss and comprehensive loss. The portion of the operator fee recognized as income during the year ended November 30, 2020 amounted to $52,741.

Other properties

During the year, the Company divested four of its non-operating subsidiaries: Black Range Holdings (Pty) Ltd, Black Range Mining (Pty) Ltd, Gecko Rare Metals Holdings (Pty) Ltd and Gecko Rare Metals Mining (Pty) Ltd. The Company also abandoned two of its non-core properties in the process.

The Company's current property portfolio is summarized as follows:

#	License	Subsidiary company	Project
1	EPL3400	Namibia Rare Earths (Pty) Ltd.	Lofdal
2	EPL3825	Solarwind Investments (Pty) Ltd.	Kunene
3	EPL4347	Kunene Resources Namibia (Pty) Ltd.	Kunene
4	EPL4136	Kunene Resources Namibia (Pty) Ltd.	Kunene
5	EPL5601	Kunene Resources Namibia (Pty) Ltd.	Kunene
6	EPL5773	Kunene Resources Namibia (Pty) Ltd.	Kunene
7	EPL5847	Kunene Resources Namibia (Pty) Ltd.	Otjitazu
8	EPL5885	Kunene Resources Namibia (Pty) Ltd.	Kunene
9	EPL5992	Kunene Resources Namibia (Pty) Ltd.	Grootfontein
10	EPL6440	Gecko Gold Mining (Pty) Ltd.	Erongo
11	EPL6561	Kunene Resources Namibia (Pty) Ltd.	Grootfontein
12	EPL6903	Kunene Resources Namibia (Pty) Ltd.	Kunene
13	EPL7115	Philco One Hundred and Eighty (Pty) Ltd	Marienfluss
14	MDRL3299	Gazania Investments Twenty-Five (Pty) Ltd.	Epembe

For the years ended November 30, 2020 and 2019 (in Canadian dollars)

7. Related party transactions

Transactions with key management personnel for the years ended November 30, 2020 and 2019 are as follows:

	2020 $	2019 $
Salaries, director fees and benefits	-	75,000
Share-based payments	925,456	-
Consulting fees	131,611	225,650
Payments received from a shareholder for rental revenue in net loss	-	(18,000)
Total charged to net and comprehensive loss	1,057,067	282,650
Consulting fees charged to exploration and evaluation assets	244,947	323,025
Payments to a shareholder charged to exploration and evaluation assets	617,717	693,693
Total	1,919,731	1,299,368

Key management personnel include officers and directors and companies directly controlled by key management personnel, and payments are for salaries, director fees, and consulting fees and are directly related to their position in the Company.

Included in accounts payable and accrued liabilities and deferred amounts payables are amounts owing to related parties of $193,441 (2019 - $281,579). Included in deposits and prepaid expenses is an amount of $3,500 (2019 - $3,500) representing a retainer on a services contract with an officer of the Company.

8. Capital stock

Authorized capital stock

An unlimited number of common shares without nominal or par value.

Issued common shares are as follows:	**Number of Shares**	**Value**
Balance as at November 30, 2018	180,325,121	$ 44,249,508
Balance as at November 30, 2019	180,325,121	$ 44,249,508
Shares issued by private placement (i)	2,916,667	350,000
Shares issued for debt settlement (ii)	1,508,412	301,682
Share issued for private placement (iii)	555,555	100,000
Share issuance costs	-	(13,617)
Balance as at November 30, 2020	**185,305,755**	**$ 44,987,573**

(i) On April 28, 2020 pursuant to a non-brokered private placement, the Company issued 2,916,667 units at price of $0.12 per unit for gross proceeds of $350,000. Each unit consists of one common share and one warrant. Each whole warrant is exercisable for one common share at a price of $0.18 until October 28, 2021. The value of the warrants was estimated at nil using the residual method.

(ii) On June 1, 2020 pursuant to a debt settlement agreement the Company issued 1,508,412 common shares at a deemed price of $0.25 per share to fully settle an aggregate of $377,103 of unpaid compensation to senior management, directors and consultants.

(iii) On August 24, 2020, pursuant to the Equity Facility (note 1), the Company issued 555,555 units at a price of $0.18 per unit for gross proceeds of $100,000 . Each unit consists of one common share and one-half warrant. Each whole warrant is exercisable for one common share at a price of $0.336 until August 24, 2022. The value of the warrants was estimated at nil using the residual method.

For the years ended November 30, 2020 and 2019 (in Canadian dollars)

Stock option plan

The Company has a stock option plan providing for the issuance of options equal to up to 10% of the outstanding shares. The Company may grant options to its directors, officers, employees, consultants and management company employees. The exercise price of each option cannot be lower than the market price of the shares at the date of grant of the option. The number of shares optioned to insiders may not exceed 10% of the issued and outstanding shares at the date of grant. The options are generally exercisable immediately for up to a five-year period from the date of grant.

For the year ended November 30, 2020, share-based payments expense of $1,018,000 (2019 - $nil) was charged to the consolidated statement of loss and comprehensive loss and $nil (2019 - $nil) was charged to exploration and evaluation assets. The Company issued 4,950,000 options at an exercise price of $0.26. The assumptions used to fair value the options issued during the year ended November 30, 2020 were a risk-free rate of 0.5%, expected volatility of 147% (based on actual historical volatility), expected life of 5 years and a dividend yield of 0%.

The change in stock options during the year ended November 30, 2020 and 2019 is as follows:

	Number	Weighted average exercise price $
At November 30, 2018	10,050,000	0.18
Expired	(705,000)	(0.12)
At November 30, 2019	9,345,000	0.18
Expired	(2,435,000)	(0.20)
Issued	4,950,000	$0.26
At November 30, 2020	11,860,000	0.21

The following table summarizes information about options outstanding at November 30, 2020:

Exercise price $	Options outstanding and exercisable	Expiry date	Remaining contractual life (in years)
0.05	1,410,000	November 28, 2021	1.00
0.08	150,000	April 7, 2022	1.35
0.21	5,350,000	September 19, 2023	2.80
0.26	4,950,000	September 28, 2025	4.83
	11,860,000		3.41

Warrants

As of November 30, 2020 there were 3,194,443 warrants outstanding (2019 – nil) with a weighted average exercise price of $0.19 (2019 -nil)

The following table summarizes information about the Company's warrants outstanding as at November 30, 2020 and 2019:

Grant Date	Expiration Date	Exercise Price	Balance Outstanding November 30, 2020	Balance Outstanding November 30, 2019
April 28, 2020	October 28, 2021	$0.18	2,916,667	-
August 24, 2020	August 24, 2022	$0.336	277,776	-
Total outstanding			3,194,443	-

9. Capital Disclosures

The Company manages its capital to maintain adequate levels of funding to support the acquisition and exploration of mineral properties and to maintain the necessary corporate and administrative functions to facilitate these activities. The capital structure consists of working capital and equity. The Company raises capital, as necessary, to meet its needs and to take advantage of perceived opportunities and, therefore, does not have a numeric target for its capital structure. The Company invests all capital that is surplus to its immediate operational needs in highly liquid financial instruments such as high interest cash accounts. There were no changes to the Company's approach to capital management during the year ended November 30, 2020. Total managed capital was as follows:

	2020	**2019**
	$	**$**
Working capital (deficit)	32,464	(140,313)
Equity	29,321,249	28,973,304

There are no externally imposed capital requirements.

10. Financial instruments and risk management

The Company's financial instruments consist of cash and short-term deposits, amounts receivable, accounts payable and accrued liabilities, and deferred amounts payable. All of the Company's financial instruments are recognized at fair value and are subsequently measured at their amortized cost. The recorded values of all financial instruments approximate their current fair values because of their nature and respective maturity dates or durations.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below.

Credit risk

The Company's credit risk is primarily attributable to cash. The Company's exposure to credit risk on its cash is limited by maintaining these assets in a high-interest savings account with a high-credit quality financial institution.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company manages this risk through regular monitoring and adjustment of its cash flow requirements to support ongoing operations and to ensure, to the extent possible, that there is sufficient cash on hand to meet its liabilities when due. In the event the Company obtains the permits and necessary approvals to proceed with the development of the Lofdal property, it will require substantial additional capital resources and there can be no assurance that funding will be available to the Company in the future on acceptable terms (note 1). Financial liabilities are due within one year.

Market risk

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

Foreign exchange risk

Certain of the Company's expenditures are denominated in Namibia dollars (which are equal to the South African rand), US dollars, British Pounds, Australian dollars, and Euros. The Company's cash, amounts receivable, deposits, and accounts payable and accrued liabilities include amounts denominated in foreign currencies. Accordingly, the results of the Company's operations are subject to currency transaction risk and currency translation risk.

At November 30, 2020, the Company had the following amounts denominated in the above currencies and converted to Canadian dollars: $483,394 in cash, $13,551 in deposits, $382,281 in amounts receivable, and $1,053,678 in accounts payable and accrued liabilities. A 10% change in the exchange rates would impact the Company's working capital as follows:

	$
Namibia dollars and South African rand	(10,630)
All other currencies	302

The operating results and financial position of the Company are reported in Canadian dollars in the Company's consolidated financial statements. The fluctuation of the Canadian dollar primarily in relation to other currencies, primarily the Namibian dollar, will consequently have an impact on the profitability of the Company and the value of the Company's assets and equity. The Company does not currently undertake any hedging activities to mitigate foreign exchange risk.

Interest rate risk

In respect of financial assets, the Company's policy is to invest cash at floating rates of interest. Cash reserves are maintained in cash and cash and short-term deposits to maintain liquidity while achieving a satisfactory return for shareholders. The impact of fluctuations in interest rates is not significant.

Commodity price risk

The Company's financial instruments are not exposed to any direct commodity price risk, as the Company does not have any financial instruments associated with commodity prices and currently has no revenues derived from mining operations. Fluctuation in commodity prices do however impact the overall viability of the Company as is common in the mineral exploration and mining industries.

11. Supplemental cash flow information

During the year ended November 30, 2020, the Company made expenditures on exploration and evaluation assets of $141,474 which were recorded as an increase in accounts payable (2019 - $122,573 decrease in accounts payable) and $17,787 in amortization of equipment which was recorded to exploration and evaluation assets (2019 - $17,472). These items are non-cash transactions and have been excluded from the consolidated statement of cash flows.

12. Income Taxes

A reconciliation of income taxes at statutory rates with the reported income taxes is as follows:

	2020 $	**2019 $**
Combined tax rate	30%	31%
Computed tax recovery	(417,308)	(219,768)
Share-based payments	302,007	-
Other	3,437	43,537
Non-recognition of deferred tax assets due to unused tax losses and deductible temporary differences	111,864	176,231
Total income taxes	-	-

For the years ended November 30, 2020 and 2019 (in Canadian dollars)

Deductible temporary differences and unused tax losses for which no deferred tax assets have been recognized are attributable to the following:

	2020 $	2019 $
Canadian and foreign non-capital losses carried forward	20,834,849	20,392,882
Canadian and foreign exploration and related deferred costs	5,804,144	5,692,361
	26,638,993	26,085,243

The realization of benefits related to these future potential tax deductions is uncertain and cannot be viewed as probable. Accordingly, no net future income tax asset has been recognized for accounting purposes.

As at November 30, 2020, the Namibian subsidiaries have available business losses for income tax purposes of approximately $5,860,000 (2019 - $5,892,000) which may be carried forward indefinitely and applied against future taxable income when earned in Namibia, and the Canadian parent entity has non-capital losses for income tax purposes of approximately $14,900,000 (2019 - $14,500,000) which may be carried forward and applied against future taxable income when earned in Canada.

Expiration of the Canadian losses is as follows:

2030	$ 286,000
2031	$ 1,928,000
2032	$ 2,215,000
2033	$ 2,666,000
2034	$ 2,965,000
2035	$ 2,086,000
2036	$ 1,158,000
2038	$ 640,000
2039	$ 626,000
2040	$ 330,000

13. Segmented Reporting

The Company has one reportable operating segment, being that of acquisition, exploration and evaluation activities. All exploration and evaluation assets are located in Namibia.

14. Loan Payable

On October 8, 2020, the Company received a $40,000 emergency business loan under the federal government Canada Emergency Business Account ("CEBA") initiative. In the event the Company repays $30,000 by December 31, 2022, there will be no interest payable on the loan and the remaining $10,000 will be forgiven. In the event there is a loan balance outstanding on January 1, 2023, the loan will be renewed for a 3-year term with an annual fixed rate of interest of 5%. The Company plans to repay $30,000 before December 31, 2022. A government assistance benefit of $17,000 was recognized during the year.

15. Subsequent Events

On January 8, 2021, the Company announced that it completed a second draw-down of $100,000 pursuant its Equity Facility.

On March 12, 2021, the Company announced it closed a non-brokered private placement in the amount of $662,500 consisting of units offered at a price of $0.25 per unit. Each unit will consist of one common share and one warrant. Each whole warrant will be exercisable for one common share at a price of $0.35 for a period of 12 months.