SOFTROCK MINERALS LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2021

SOFTROCK MINERALS LTD.
Management's Discussion and Analysis

Dated March 21, 2022

The following discussion of the financial condition, changes in financial condition and results of operations of Softrock Minerals Ltd. ("Softrock" or the "Company") for the period ended December 31, 2021 should be read in conjunction with the audited financial statements of the Company for the year ended December 31, 2021 and 2020, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") consistently applied (unless noted otherwise) and filed with SEDAR, and on our website www.softrockminerals.com.

FORWARD-LOOKING INFORMATION

This Management Discussion and Analysis contains "forward-looking information" relating to Softrock within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical fact included herein are forward-looking information. Generally forward-looking information may be identified by the use of forward-looking terminology such as "plans" "expects" or "does not expect", "proposed", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "does not anticipate", or "believes" or variations of such words and phrases, or by the use of words or phrases which state that certain actions, events or results may, could, would or might occur or be achieved. This forward-looking information reflects Softrock's current beliefs and it is based on information currently available to the Company and on assumptions the Company believes are reasonable.

Forward-looking information includes unknown risks and uncertainties and other factors that may cause the actual results, level of activity, performance or activities of the Company to be materially different from those expected or implied by such forward-looking information. Such risks and other factors may include but are not limited to: the development of Softrock; general business, economic, competitive, commodity prices, political and social uncertainties, lack of insurance; delay or failure to receive regulatory approvals; changes in legislation, including environmental legislation, affecting operations and exploration; timing and availability of external financing on acceptable terms; availability of qualified or skilled labour or loss of key individuals. Although Management has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. Accordingly readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information except in accordance with applicable securities laws.

OVERVIEW

Softrock is a public company incorporated under the Alberta Business Corporations Act with its shares traded on the TSX Venture Exchange (symbol SFT). The company's head office is located at 4719 Nordegg Cres N.W., Calgary, AB T2K 2M2 telephone number (403) 282-3111.

Pursuant to the Company's rights offering that closed on June 15, 2018, 15,096,781 warrants were issued. The warrant exercise date has been extended from June 15, 2020 for an additional 24 months to June 15, 2022.

The Company carries on the business of oil, gas and mineral exploration and development in Canada.

The three wells in the Grand Forks area of Southern Alberta in which the Company has a 3% gross overriding royalty ("GORR") produced net revenue of $4,802 during the fourth quarter of 2021, and $2,328 for the fourth quarter 2020.

The Company has a 2 ½ % GORR interest in a section of land located in the Charlie Lake field in the Spirit River area of Northern Alberta This lease produced net revenue of $33,677 during the fourth quarter of 2021, and $37,484 for the fourth quarter of 2020.

In 2014, Softrock acquired a 47 ½ % working interest, subject to a 3% GORR, in 160 ac with a suspended Cardium oil and gas well (Ferrier 14-02-038-07-W5) After conducting exhaustive well and environmental studies, the Company decided to abandon the well under the Government of Alberta's Site Rehabilitation Program ("SRP"). The SRP is designed to provide grant funding to successful Contractors in the oil field services sector who have entered into, and comply with, an oil field service contract with a qualifying energy company. The funding under the SRP is provided directly to the contractors. During the year ended December 31, 2021, Softrock recognized government grant income of $43,282 in relation to the Ferrier well that was abandoned under the SRP. Once reclamation has been completed, Softrock will apply to have its share of the damage deposit refunded.

During 2019 and 2020 Softrock applied for and was granted, for exploration purposes, a 100% interest in seven Alberta Government Industrial Mineral Permits covering Lithium and Potash totalling approximately 42,019 hectares (103,831 acres). At December 31, 2021, the Company had a 100% interest in four permits covering 15,103 hectares (37,321 acres). The permits lie in the same general area that Softrock has been exploring and mapping the last few years. The Company's studies have indicated that porous reservoirs near the basement seem to have the best chance of enhanced lithium content. Many of these already have oil and gas producing wells but it remains to be seen as to what arrangements have to be made with these oil and gas companies who hold the petroleum rights.

Softrock is approaching companies interested in acquiring "battery minerals" to purchase an interest in Softrock's 100% owned properties in Alberta for funds sufficient to give them a minority interest and a commitment to spend sufficient funds for exploration to keep the properties in good standing for another 2 to 4 years.

RESULTS OF OPERATIONS

SPIRIT RIVER (NORTHWEST ALBERTA)

The Company's Spirit River P&NG Lease extends from the surface to the base of the Triassic (Charlie Lake) formation in Township 78, Range 07, W6M, and can be held indefinitely with production. The Lease now lies in the Charlie Lake Triassic oilfield.

Softrock farmed out its interest leaving the Company with a two and one-half percent GORR with no deductions for treatment.

GRAND FORKS

The Company has a 3% gross overriding royalty on 3 wells in the Grand Forks area of Alberta. The 01-09-012-13 W4M oil well was producing in 2021. The wells in 02-09-012-13-W4M and 07-09-012-13 W4M are shut in.

MINERALS

In 2019 and 2020 the Company acquired a total of 7 new industrial mineral permits in Alberta covering 42,019 hectares (108,832 acres). At December 31, 2021, the Company had a 100% interest in four permits covering 15,103 hectares (37,321 acres). The permits were acquired primarily for the exploration and development of potash and lithium in the same areas as previous permits.

In February 2021 the Company entered into an agreement to sell the Shatford Lake claims in Manitoba for a one time payment of $25,000. The purchaser granted Softrock a 2% NSR Royalty on the claims, one half of which can be repurchased at any time for $1,000,000.

IMPACT OF COVID-19

The outbreak has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures have caused material disruptions to businesses, governments and other organizations resulting in an economic slowdown and increased volatility. Governments and central have responded with significant monetary and fiscal interventions designed to stabilize economic conditions.

The outbreak and subsequent measures intended to limit the pandemic have contributed to significant declines and volatility in financial markets. The pandemic has adversely impacted global commercial activity, including causing significant volatility in worldwide demand and prices for crude oil, and reducing access to capital. The outbreak and market conditions increase the complexity of estimates and assumptions used to prepare financial statements. The most significant estimate and judgement impacted is the appropriateness of the going concern assumption.

The rapidly evolving event, including health and safety conditions, economic environment and resulting government measures, creates a high level of uncertainty and risk that may have a significant impact on the Company's activities, results of operations and financial condition. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of any interventions. As such it is not possible to estimate the length and severity of these development and the impact on the financial results and condition of the Company and its operations in future periods.

SUMMARY OF QUARTERLY FINANCIAL RESULTS

The following table sets forth, for each quarter ended on the date indicated, information relating to the Company's revenue, net loss and loss per common share (basic and diluted) as determined under IFRS.

	Revenue	Net income (loss)	per Share
March 31, 2020	18,015	10,364	0.00
June 30,2020	7,562	(137,122)	0.00
September 30, 2020	77,796	56,895	0.00
December 31, 2020	40,106	54,253	0.00
March 31,2021	48,520	46,968	0.00
June 30, 2021	32,278	5,323	0.00
September 30, 2021	39,943	(9,568)	0.00
December 31, 2021	39,776	22,851	0.00

For further financial information, please refer to the Company's financial statements that have been filed on SEDAR and our website www.softrockminerals.com.

LIQUIDITY

At December 31, 2021 the Company had working capital of $ 67,357, (2020 – working capital deficit of $4,785).

The Company's ability to continue as a going concern and to recover the recorded costs for property and equipment is dependent upon our ability to raise sufficient capital either through royalty and oil income, debt or equity issues, through the sale of marketable securities, to achieve profitable operations or to find a joint venture partner. The outcome of these matters cannot be predicted at this time.

The timing and ability to fulfill these objectives will depend on the liquidity of the financial markets as well as the acceptance of investors to finance resource based junior companies, in addition to the results of the Company's development and exploration programs and the acquisition of additional projects.

CAPITAL RESOURCES

The Company estimates that it requires an average of $5,000 per month for general and administration expenses.

OFF-BALANCE SHEET ARRANGEMENTS

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

RISKS AND UNCERTAINTIES

The success of the Company is dependent, among other things, on obtaining sufficient funding to enable the Company to explore and develop its properties. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of its projects with the possible loss of such properties. The Company will require new capital to continue to operate its business and to continue with exploration on its petroleum and mineral properties. There is no assurance that capital will be available when needed, if at all. It is expected that such additional capital would be raised through the issuance of additional equity that will result in dilution to the Company's shareholders.

Oil, gas and mineral exploration involves a high degree of risk which even a combination of experience, knowledge and careful evaluation may not be able to overcome. There is no assurance that commercial quantities of oil, natural gas or minerals will be discovered by the Company. Hazards such as fire, explosions, blowouts, cratering and spills could result in considerable damage to property, people and/or the environment. Although the Company will maintain liability insurance which it considers adequate, the nature of the risks is such that incurred costs could have a materially adverse effect upon the Company’s financial condition.

The operations of the Company may require licenses and permits from various local, provincial and federal governmental authorities, as the case may be. There can be no assurance that the Company will be able to obtain these to carry out exploration, and development operations on its projects.

Even if the Company's exploration programs are successful, factors beyond the control of the Company may affect the marketability of any products discovered. The prices of oil, natural gas and minerals have historically fluctuated widely and are affected by numerous factors beyond the Company's control, including international, economic and political trends, expectations for inflation, currency exchange fluctuations, interest rates, global or regional consumption patterns, speculative activities and worldwide production levels. The effect of these factors cannot accurately be predicted.

The oil, gas and mineral industries are intensely competitive. The Company competes with many companies possessing greater financial and technical resources than itself for the acquisition, development and exploration of oil and gas properties and mineral interests as well as for the recruitment and retention of qualified employees, contractors and consultants.

The Company's operations are subject to environmental regulations promulgated by local, provincial and federal government agencies from time to time. Environmental legislation provides for restrictions and prohibitions of spills, releases or emissions of various substances produced in association with certain oil and gas industry operations, such as seepage from tailing disposal areas, or sulphur and non-potable water emissions which could result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations require submissions to and approval of environmental impact assessments. Environmental legislation is evolving in a manner which means stricter standards and enforcement, and fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations. The Company intends to fully comply with all environmental regulations.

Certain directors of the Company are also directors, officers or shareholders of other companies that are similarly engaged in the business of acquiring, developing and exploiting natural resource properties. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interest which they may have in any project opportunity of the Company. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not the Company will participate in any project or opportunity, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

ON GOING TRANSACTIONS

Softrock intends approaching possible partners for ongoing development of its 100% owned Lithium and Potash properties in Alberta.

We are in the final stages of abandoning and reclaiming the Ferrier property.

ENVIRONMENTAL REGULATIONS

The Company's activities are subject to various government laws and regulations relating to the protection of the environment. These environmental regulations are continually changing in Canada and generally are becoming more restrictive. The Company believes its operations comply in all material respects with all applicable laws and regulations.

CHANGES IN ACCOUNTING POLICIES

New accounting standards and pronouncements

There were no new accounting standards or amendments adopted during the year ended December 31, 2021.

Future accounting standards and pronouncements

Onerous Contracts—Cost of Fulfilling a Contract (Amendments to IAS 37)

The amendments to IAS 37 specify which costs an entity includes in determining the cost of fulfilling a contract for the purpose of assessing whether the contract is onerous. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

These amendments are effective for reporting periods beginning on or after January 1, 2022. The adoption of these amendments is not expected to have a material impact on the financial statements.

Classification of Liabilities as Current or Non-current (Amendments to IAS 1)

The amendments to IAS1 provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date.

These amendments are effective for reporting periods beginning on or after January 1, 2023.

RELATED PARTY TRANSACTIONS

The Company has entered into transactions with related parties in the normal course of business, which were valued at the exchange amount established and agreed to by the related parties. During the year, the related party transactions were as follows:

The Company paid to its directors and officers, either directly, or indirectly, the following amounts:

	2021	2020
For accounting services (professional fees)	$ 14,600	$ 11,840
Interest on debentures (general and administrative)	-	1,807
Office allowance (general and administrative expenses)	5,265	3,500

COMMON STOCK AND STOCK OPTIONS

As of the date of this filing, the Company has 44,852,927 common shares issued and outstanding, 15,093,781 warrants outstanding and 2,700,000 options issued of which 1,800,000 are exercisable.

Please note website www.softrockminerals.com for further details on the history of the corporate share transactions.

Authorized

Unlimited number of:
Common shares without nominal or par value
First and second preferred shares issuable in series

Issued - common shares

	2021		2020	
	Number	Amount	Number	Amount
Balance, beginning of year	44,852,927	$3,061,457	39,852,927	$3,011,457
Shares issued on repayment of debentures	-	-	5,000,000	50,000
Balance, end of period	44,852,927	$3,061,457	44,852,927	$3,061,457

In June 2020, the Company issued 5,000,000 shares at $0.01 for the repayment of 50 debentures, payable.

Stock options

Under the Company's stock option plan, the Company may grant options to employees, officers and directors up to 10% of its issued and outstanding common stock. In addition, the aggregate number of shares so reserved for issuance to any one person shall not exceed 5% of the issued and outstanding shares (2% in the case of consultants and employees conducting investor relations).

In April and June, 2020, the Board granted total options to purchase an aggregate of 3,600,000 common shares of the Company to its officers and directors. The options are exercisable at a price of $0.05 per share and expire in five years. 900,000 options expired in October 2021.

Common share purchase warrants

There were a total of 15,093,781 warrants issued, exercisable into one common share at a price of $0.05 per share, pursuant to a Rights offering that were to expire on June 7, 2020. The Company has had the expiry date extended to June 7, 2022.

RISK MANANGEMENT AND CAPITAL MANAGEMENT

The Company is a junior oil and gas company and considers items included in shareholders' equity as capital. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares, purchase shares for cancellation pursuant to normal course issuer bids or make special distributions to shareholders. The Company is not subject to any externally imposed capital requirements and does not presently utilize any quantitative measures to monitor its capital.

The Company currently receives royalty income from gross overriding royalties held. Revenues are not sufficient to meet ongoing obligations and make future exploration expenditures in respect of its exploration and evaluation assets ("E&E") and its property, plant and equipment. In order to fund future projects and pay for administrative costs, the Company may be required to raise additional funds as needed in the equity markets and/or rely on advances from directors.

At the end of December 2021, the company had working capital of $67,357 and shareholders' equity of $109,562.

The Company's ability to continue as a going concern on a long-term basis and realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation is primarily dependent upon its ability to develop, sell or option its E&E assets and its property, plant and equipment, and its ability to borrow or raise additional financing from equity markets. The outcome of these events is not determinable at this time.

The Company is not subject to any externally imposed capital requirements.

DISCLOSURE CONTROLS AND PROCEDURES

The Company evaluated the effectiveness and design of its disclosure controls and procedures at the end of the quarter, and based on these evaluations, Management and the Audit Committee members have determined these controls to be effective. The Company's financial reporting procedures and practices have enabled the certification of the Company's annual filings in compliance with Multilateral Instrument 52-109 "Certification of Disclosure in Issuers' Annual and Interim Filings".

Management and directors are aware that given the few number of consultants involved in the design of internal controls over financial reporting that in-house expertise to deal with complex taxation, accounting and reporting issues may not always be sufficient. The Company strives to obtain outside assistance and advice on new accounting pronouncements and complex reporting issues, which is common with companies of a similar size.

There have been no changes to the Company's internal control over financial reporting during the most recent period that would have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

COMMITMENTS AND CONTINGENCIES

Environmental regulations

The Company's activities are subject to various government laws and regulations relating to the protection of the environment. These environmental regulations are continually changing in Canada and generally are becoming more restrictive. The Company believes its operations comply in all material respects with all applicable laws and regulations and has recorded its best estimate of its decommissioning liabilities.

OTHER MD&A REQUIREMENTS

Additional information relating to the Company, including its audited annual financial statements, its unaudited quarterly financial statements and related management's discussion and analysis for each period is available on SEDAR at www.sedar.com.