



TILL CAPITAL CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Three and Nine Months Ended September 30, 2021 and 2020

TILL CAPITAL CORPORATION

Management's Discussion and Analysis

For the three and nine months ended September 30, 2021 and 2020

(Stated in US dollars)

The following management's discussion and analysis ("MD&A") of the activities, results of operations, and financial position of Till Capital Corporation ("Till") should be read in conjunction with the interim unaudited condensed consolidated financial statements for the three and nine months ended September 30, 2021 and 2020 and the audited consolidated financial statements for the years ended December 31, 2020 and 2019 and the related notes that have been prepared in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board ("IFRS"). All amounts in this MD&A are stated in United States dollars unless otherwise indicated. This MD&A was prepared as of November 18, 2021.

Additional information related to Till, including its Annual Information Form, is available on the System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com. Till's website is www.tillcap.com.

BACKGROUND AND CORE BUSINESS

Till is an investment holding company domiciled in Canada. Till's investment portfolio includes 7.7% ownership of IG Tintic LLC ("IGT"), the majority owner of Tintic Consolidated Metals LLC ("TCM"), which holds a substantial consolidated land package of over 14,000 acres of mineral rights, including 7,000 acres of surface rights, in the East Tintic Mining District near Provo, Utah. TCM is currently producing gold and silver from the Trixie mine and is exploring the re-commissioning of at least two other mines in the district.

Till also owns 33.3% of IG Far East ("IGFE"), a private company with a majority interest in the Durmin gold property in east Russia and Till owns the Carlin Vanadium Property in Nevada, US, which is currently under an option agreement.

Till owns 62.05% of the outstanding shares of Silver Predator Corp. ("SPD"), a Canadian-based public junior mineral exploration company that has historically been engaged in exploring for and developing economically viable silver and gold deposits in the United States, with a focus on Nevada and Idaho. SPD is not currently engaged in any mining or exploration activities; however, a drilling program for its Copper King property is being considered.

Through Till's wholly-owned subsidiary, Omega Insurance Holdings, Inc. ("Holdings") and its wholly-owned subsidiary Omega General Insurance Company ("Omega"), Till provides property and casualty insurance and reinsurance. Omega underwrites direct insurance and reinsurance business. Omega is a primary insurer, or direct writer, for insurance companies looking to write Canadian business, but lacking the appropriate Canadian insurance licenses. In that capacity, Omega acts as the direct writer, or fronting company, for a specific insurance company, and, typically, will cede most or all of that fronted business to that insurer. As a reinsurer, Omega provides assumption reinsurance to insurance companies that want to exit the Canadian market, and to insurance companies that want to transfer all of their remaining claim liabilities on particular books of business; those arrangements are commonly referred to as "run-off" or "loss portfolio transfer" assumption business. Omega has three sources of revenue, namely, (i) premiums on direct and fronting business, (ii) premiums on portfolio transfer transactions and fees related to managing Canadian branch offices in "run-off", and (iii) assumption reinsurance,

TILL CAPITAL CORPORATION

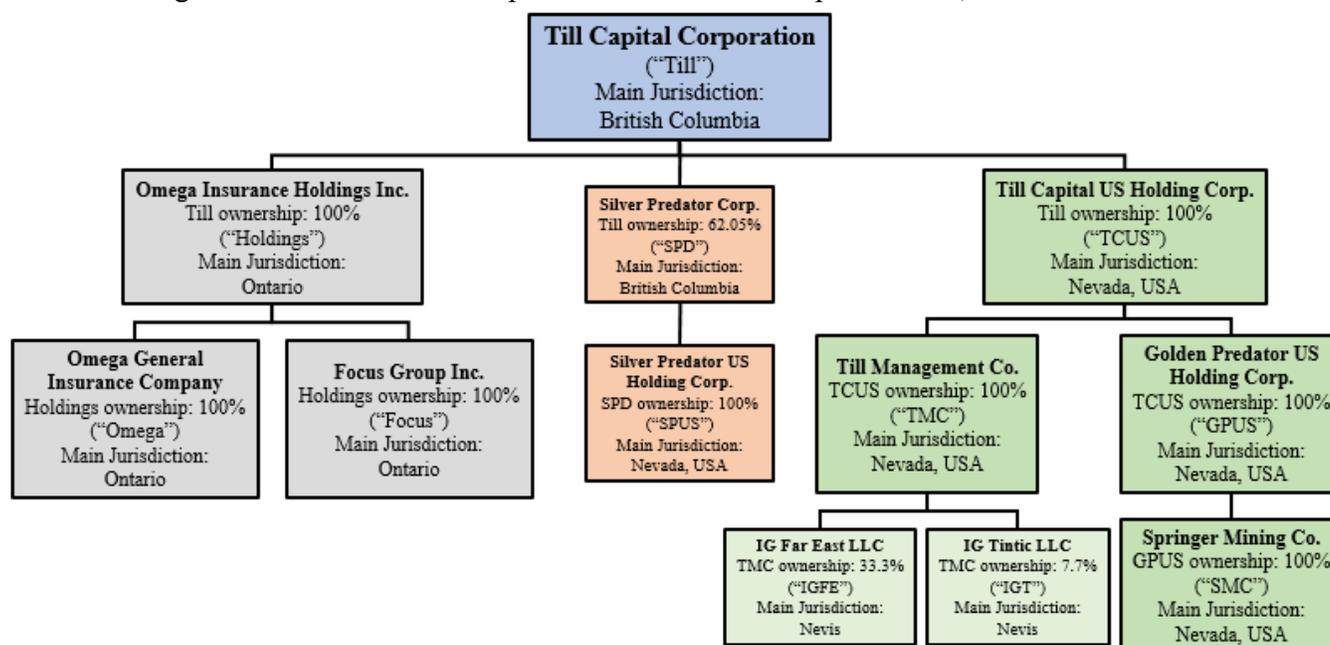
Management's Discussion and Analysis

For the three and nine months ended September 30, 2021 and 2020

(Stated in US dollars)

including servicing fees on certain transactions. During 2019, Till initiated a plan to sell Holdings, including its subsidiaries Omega and Focus. Pursuant to IFRS 5, *Non-current Assets Held for Sale and Discontinued Operations* ("IFRS 5"), Holdings is classified as a discontinued operation and Holdings' assets and liabilities are classified as held for sale.

The following chart sets forth Till's corporate structure as of September 30, 2021:



The discussion of Till's financial condition and results of operations that follows is intended to provide summarized information to assist the reader in understanding Till's interim unaudited condensed consolidated financial statements and related notes for the three and nine months ended September 30, 2021 and 2020, as well as to provide summary explanations as regards the primary factors for financial statement changes between specified periods.

CORPORATE DEVELOPMENTS, SIGNIFICANT TRANSACTIONS, AND FACTORS AFFECTING RESULTS OF OPERATIONS

(a) IG Tintic LLC

Till, through Till Management Company ("TMC"), invested \$2,000,000 on January 13, 2020 for 880,900 units representing a 10.0% ownership in IGT. Of that amount, \$1,153,562 was allocated to net assets and \$846,438 was allocated to additional mineral property value. On December 17, 2020, TMC invested \$700,000 for 70,000 additional units. Of that amount, \$78,232 was allocated to net assets and \$621,768 was allocated to additional mineral property value. At September 30, 2021, Till owns 950,900 units of IGT, which, in 2021, completed a private financing, selling 616,262 units at \$10 per unit and issued 275,000 units to employees, diluting Till's ownership to 7.7%. The investment was accounted for under the equity method of accounting until June 30, 2021.

TILL CAPITAL CORPORATION

Management's Discussion and Analysis

For the three and nine months ended September 30, 2021 and 2020

(Stated in US dollars)

On July 1, 2021, Till, due to no longer having significant influence over IGT, reclassified IGT from equity method investment to available for sale investment reported at market value. That resulted in a gain of \$7,267,420.

IGT's market value as of September 30, 2021 was calculated based on an arms-length convertible debt financing transaction completed in the third quarter 2021 between IGT and a public gold-producing company. Till's 7.7% ownership in IGT was valued at \$8,652,834 as of that date, resulting in an after-tax loss of \$646,485 during the third quarter 2021 and reported in other comprehensive income.

(b) Amended option agreement for Carlin Vanadium Property

On July 6, 2021, Till announced that it had negotiated an amendment to the option agreement to sell its Carlin Vanadium/Black Kettle Property ("the Carlin Vanadium Property") which previously allowed the optionee Phenom Resources Corp. (TSXV: PHNM) (formerly First Vanadium Corp., "Phenom") to buy-out the 2% Net Smelter Return ("NSR") royalty granted to Golden Predator US Holding Corp. ("GPUS") for \$4,000,000 at the same time that Phenom exercises the purchase option and acquires 100% in the property. To exercise the option, Phenom was required to pay GPUS \$1,900,000 by June 30, 2022.

Under the terms of the amended agreement, Phenom agreed to pay half the final cash payment for the option exercise (\$955,000) to GPUS by July 30, 2021, with the balance (\$955,000) being due by June 30, 2022. Phenom also agreed to issue 1,000,000 common share purchase warrants to GPUS within 3 business days of receipt of TSX Venture Exchange approval to the amended agreement, with each warrant being exercisable for one common share at a price of Cdn\$0.75 per share for a period of five years from the date of issue of the warrants. The parties further agreed that if Phenom wishes to purchase the NSR royalty, it must do so by paying GPUS \$4,000,000 by June 30, 2023. Phenom, in its sole discretion, may extend that deadline on an annual basis for up to 4 additional years, by paying GPUS an additional \$250,000 per year on or before June 30 of each year, commencing June 30, 2023, resulting in the latest possible payment deadline being June 30, 2027. The amended agreement was accepted by the TSX Venture Exchange on July 12, 2021.

On July 15, 2021, GPUS received \$955,000 and 1,000,000 common shares of Phenom initially valued at \$553,897. Option payments are recorded against the carrying value of the Carlin Vanadium Property. Option payments received in excess of the carrying value of the Carlin Vanadium Property totaled \$1,382,582 are recorded as exploration expense recovery.

(c) IG Far East LLC

In April 2020, Till, through TMC, invested \$225,000 for a 25% ownership interest in IGFE. Another \$225,000 investment by Till was made in August 2020, and at December 31, 2020, Till owned 33.3% of the outstanding units of IGFE.

During the nine months ended September 30, 2021, Till invested \$741,388 to maintain its 33.3% interest. Additional investments, if any, may be requested, but any such additional investment is at

TILL CAPITAL CORPORATION

Management's Discussion and Analysis

For the three and nine months ended September 30, 2021 and 2020

(Stated in US dollars)

Till's option. Soil sampling is underway and initial drilling results from June 2020 showed significant lengths of mineralization. The 2021 drill program has been fully permitted and is now underway.

Till's investment in IGFE is accounted for under the equity method of accounting. For the three and nine months ended September 30, 2021, Till recorded a loss of \$41,072 and \$110,823, respectively, for its portion of equity method investment loss in IGFE.

(d) Assets and liabilities held for sale

Omega Insurance Holdings, Inc.

In late 2019, Till initiated a plan to sell Holdings, including its subsidiaries, Omega and Focus, all of which are based and operate in Canada. Pursuant to IFRS 5, Holdings is classified as a discontinued operation and Holdings' assets and liabilities are classified as held for sale. A fair value measurement was performed periodically assessing the fair value of Holdings' assets and liabilities less costs to sell. A gain of \$689,458 was recorded at December 31, 2020 as a result of the increased fair value less cost of disposal ("FVLCD").

On June 21, 2021, Till and Accelerant Holdings ("Accelerant") announced that they executed a share purchase agreement for Accelerant to acquire from Till, Holdings and its two wholly-owned subsidiaries Omega and Focus ("Omega Companies"). Accelerant will pay Till an aggregate purchase price of 1.15 times the aggregate book value of the Omega Companies, or approximately Cdn\$14,299,000 as of September 30, 2021, in exchange for all of the issued and outstanding shares of Holdings. Completion of the transaction is subject to approval of Canada's Office of the Superintendent of Financial Institutions, the TSX Venture Exchange, and certain other customary consents and provincial insurance regulatory filings.

Springer Mining Company

SMC, a wholly-owned subsidiary of Till, owns the Springer underground mine and mill complex, various water rights, a current tungsten mineral resource, approximately 3,700 acres of private land, unpatented claims, and substantially all permits required for mining operations. That property is located southwest of Winnemucca, Nevada. Till is committed to selling SMC. Pursuant to IFRS 5, SMC's assets and liabilities are classified as held for sale.

At December 31, 2020, Till performed an impairment assessment of the SMC assets held for sale, and as a result, an impairment loss of \$314,725 was recorded at December 31, 2020.

(e) Incentive stock option grant

On January 28, 2021, Till granted an aggregate of 300,000 incentive stock options to directors, officers, and employees of Till in accordance with Till's existing stock option plan. The incentive stock options vest over two years and may be exercised at a price of Cdn\$12.00 per option for a period of four years from the date of grant. As a result of this grant, Till has 226,000 stock options issued, representing 7.1% of the issued and outstanding share capital.

TILL CAPITAL CORPORATION

Management's Discussion and Analysis

For the three and nine months ended September 30, 2021 and 2020

(Stated in US dollars)

(f) Investment Committee

Following the passing of Till's then Chief Investment Officer William Lupien in April 2021, an Investment Committee was formed to provide oversight and guidance for Till's investments. The Investment Committee, management, and board are exploring options for Till including investing in new opportunities and returning capital to shareholders.

(g) Special Committee

On December 15, 2020, Till received a memo from two former members of its board of directors. The memo raised issues of business judgment concerning prior operations of Till. Following receipt of the memo, Till's board of directors created a Special Committee comprised entirely of independent directors to conduct an inquiry into the matters raised. The Special Committee retained independent outside counsel to assist it in the conduct of the inquiry and provided counsel full access to relevant books and records. Affected parties were offered the opportunity to be interviewed by counsel. In June 2021, the Special Committee received a report from the independent outside counsel concluded that Till and its officers and directors had engaged in no wrongdoing, had committed no legal impropriety or violations of law, and that no individuals had engaged in self-dealing.

(h) Coronavirus

In December 2019, a novel strain of the coronavirus (COVID-19) emerged, the virus has spread to Canada and the U.S. The extent to which the coronavirus will impact Till's business in the future, including its operations and the market for its securities, will depend on future developments, which are highly uncertain and cannot be predicted at this time. In particular, the continued spread of the coronavirus could materially and adversely impact Till's operations and business, including without limitation, its stock valuation, employee health and productivity, significant reduction in the market value of Till's investments, including its mining investments, and assets held for sale, restrictions or delays to SPD's planned exploration activities, ability to raise financing, and other factors, including those related to market demand for precious and/or base metals, which are beyond Till's control. Those factors may have a material and adverse effect on Till's business, financial condition, and results of operations.

OUTLOOK

Till's capital management and operating strategies are key for generating future profitability, managing its business, and maximizing shareholder value. Profitability is predominantly determined by its investment returns and insurance results.

The planned sales of Springer and Holdings will provide substantial cash infusions and allow Till to focus on maximizing its shareholder value through managing its investment portfolio, which includes several mining investments and mining resources. Till's outlook for future increases in the valuations of precious metals is optimistic due to the large increases in fiat currency creation resulting from the Federal Reserve and other central bank policies. Also, slower economic growth due in part to high debt

TILL CAPITAL CORPORATION

Management's Discussion and Analysis

For the three and nine months ended September 30, 2021 and 2020

(Stated in US dollars)

levels in the U.S. will cause intermediate-term interest rates to decline, which is another boost for precious metal prices. Till anticipates those trends will continue for the foreseeable future and believes that will bode well for the valuations of its mining investments.

The insurance markets in which Till operates have historically been cyclical. During periods of excess underwriting capacity, as defined by the availability of capital, competition can result in lower pricing and less favorable policy terms and conditions for insurers and reinsurers. Historically, underwriting capacity has been affected by several factors, including industry losses, the impact of catastrophes, changes in legal and regulatory guidelines, new entrants, investment results (including interest rate levels), and the credit ratings and financial strength of competitors. Till's insurance operations, both on a direct and reinsurance basis, have been particularly affected by traditional cycles related to pricing, underwriting capacity, and capital availability. As a result of those factors, Till has limited entering into new business and expanding its existing direct and reinsurance business.

FINANCIAL HIGHLIGHTS

(\$ in millions, except per share amounts)

	2021			2020				2019
	Jul - Sep	Apr - Jun	Jan - Mar	Oct - Dec	Jul - Sep	Apr - Jun	Jan - Mar	Oct - Dec
Revenue (loss)	\$ 7.03	\$ (0.08)	\$ (0.04)	\$ 0.10	\$ (0.40)	\$ (0.39)	\$ 0.24	\$ 0.20
Income (loss) attributable to the shareholders of Till	\$ 6.99	\$ (0.69)	\$ (0.35)	\$ (0.06)	\$ (0.58)	\$ (0.60)	\$ (0.32)	\$ (0.26)
Basic and diluted income (loss) per share attributable to the shareholders of Till	\$ 2.19	\$ (0.22)	\$ (0.11)	\$ (0.02)	\$ (0.18)	\$ (0.19)	\$ (0.10)	\$ (0.08)
Total assets at end of period	\$ 68.49	\$ 61.96	\$ 64.06	\$ 62.12	\$ 60.65	\$ 61.66	\$ 60.44	\$ 62.87
Total non-current financial liabilities at end of period	\$ 1.45	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —

Income (loss) attributable to Till's shareholders is substantially determined by insurance and investment results and asset valuations.

Higher revenue and income in the third quarter of 2021 is primarily due to the reclassification of IGT from equity method investment to available for sale ("AFS") investment. The increased loss in the first and second quarters of 2021 is primarily due to increased legal expenses related to the sale of Holdings and the Special Committee, stock-based compensation, and loss on equity method investments. The decreased loss in the fourth quarter of 2020 is due primarily to the reversal of prior year FVLCD adjustment, partially offset by impairment loss on assets held for sale, mineral property write-off, and equity loss in associated companies. The increased loss in the prior two quarters of 2020 is due primarily to higher investment losses.

The increase in total assets in the third quarter of 2021 compared to the prior seven quarter is primarily due to the reclassification of IGT from an equity method investment to an AFS investment.

The non-current financial liabilities in the third quarter of 2021 is deferred income tax liabilities related to the gain from the reclassification of IGT from equity method investment to AFS investment.

TILL CAPITAL CORPORATION

Management's Discussion and Analysis

For the three and nine months ended September 30, 2021 and 2020

(Stated in US dollars)

(a) Results of operations for the three months ended September 30, 2021

Net income for the three months ended September 30, 2021 increased \$7.57 million to \$6.98 million (three months ended September 30, 2020 - loss of \$0.59 million). The difference is due to:

- Net investment income for the three months ended September 30, 2021 increased \$7.43 million to \$7.03 million (three months ended September 30, 2020 - loss of \$0.40 million) due primarily to the gain as a result of the reclassification of IGT from equity method investment to AFS investment.
- Exploration expense recovery for the three months ended September 30, 2021 was \$1.38 million due to option payment received in excess of the carrying value of the Carlin Vanadium Property. There was no exploration expense recovery for the three months ended September 30, 2020.
- Deferred income tax expense for the three months ended September 30, 2021 was \$1.31 million primarily due to the gain as a result of the reclassification of IGT from equity method investment to AFS investment. There was no deferred income tax expense for the three months ended September 30, 2020.

(b) Results of operations for the nine months ended September 30, 2021

Net income for the nine months ended September 30, 2021 increased \$7.42 million to \$5.88 million (nine months ended September 30, 2020 - loss of \$1.54 million). The difference is due to:

- Net investment income for the nine months ended September 30, 2021 increased \$7.52 million to \$6.87 million (nine months ended September 30, 2020 - loss of \$0.65 million) due primarily to the gain as a result of the reclassification of IGT from equity method investment to AFS investment.
- The general and administrative expenses for the nine months ended September 30, 2021 increased \$0.36 million to \$0.75 million (nine months ended September 30, 2020 - \$0.39 million) due primarily to higher legal expenses related to the sale of Holdings and the Special Committee project.
- Stock-based compensation for the nine months ended September 30, 2021 was \$0.34 million. There was no stock-based compensation for the nine months ended September 30, 2020.
- Exploration expense recovery for the nine months ended September 30, 2021 was \$1.38 million due to option payment received in excess of the carrying value of the Carlin Vanadium Property. There was no exploration expense recovery for the nine months ended September 30, 2020.

TILL CAPITAL CORPORATION

Management's Discussion and Analysis

For the three and nine months ended September 30, 2021 and 2020

(Stated in US dollars)

- Deferred income tax expense for the nine months ended September 30, 2021 was \$1.31 million primarily due to the gain as a result of the reclassification of IGT from equity method investment to AFS investment. There was no deferred income tax expense for the nine months ended September 30, 2020.
- Income from discontinued operations for the nine months ended September 30, 2021 increased \$0.65 million to \$0.76 million (nine months ended September 30, 2020 - \$0.11 million) due primarily to increase net insurance premiums earned and increased investment income, partly offset by increased losses and loss adjustment expense.

(c) Cash flows for the nine months ended September 30, 2021

Cash inflows from operating activities for the nine months ended September 30, 2021 decreased \$3.26 million to outflows of \$1.75 million (nine months ended September 30, 2020 - inflows of \$1.51 million) due primarily to changes in insurance-related operating assets and liabilities, higher operating expenses, primarily legal expenses, and less receipts from accounts receivable.

Cash outflows from investing activities for the nine months ended September 30, 2021 decreased \$4.30 million to inflows of \$0.77 million (nine months ended September 30, 2020 - outflows of \$3.53 million). That decrease was primarily due to decreased cash outflows from the insurance-related investing activities, decreased purchases of equity method investments, proceeds from property option payments, partly offset by decreased net sale of investments for the nine months ended September 30, 2021.

(d) Financial position

Cash decreased \$1 million during the nine months ended September 30, 2021 due primarily to operating expenditures of \$1.75 million and the \$0.74 million purchase of equity method investments, partly offset by the \$1 million proceeds from property option payment and \$0.6 million net cash provided by the insurance-related investment activities.

LIQUIDITY AND CAPITAL RESOURCES

At September 30, 2021, Till had working capital of \$25.61 million, of which \$14.76 million is related to assets held for sale, including cash and investments of \$0.79 million and \$10.02 million, respectively, as compared to working capital of \$18.98 million, of which \$14.22 million is related to assets held for sale, including cash and investments of \$1.79 million and \$3.0 million, at December 31, 2020, respectively. Till has no long-term debt.

Till manages capital on an aggregate basis, as well as separately for each regulated entity. Till's insurance subsidiary, Omega, is subject to the regulatory capital requirements defined by the Office of Superintendent of Financial Institutions (Canada) ("OSFI"), which amounts are not available to satisfy liabilities of Till or other affiliates.

TILL CAPITAL CORPORATION

Management's Discussion and Analysis

For the three and nine months ended September 30, 2021 and 2020

(Stated in US dollars)

Till's objectives when managing capital consist of:

- Ensuring that policyholders in the insurance subsidiary are protected while complying with regulatory capital requirements.
- Complying with regulatory capital requirements.
- Maintaining a strong liquidity position that provides a reasonable return on invested assets.
- Maximizing long-term shareholder value by optimizing capital generated and used by Till.

Till views capital as a scarce and strategic resource. That resource protects the financial well-being of the organization, and is critical in enabling Till to pursue strategic business opportunities. Adequate capital also acts as a safeguard against possible unexpected losses, and as a basis for confidence in Till by shareholders, policyholders, creditors, and others. For the purpose of capital management, Till has defined capital as shareholders' equity, excluding accumulated other comprehensive income. Capital is monitored by Till's Board of Directors.

Omega

OSFI has set out expectations of a 100% Minimum Capital Test ("MCT") as the minimum and 150% MCT as the supervisory target for Canadian property and casualty insurance companies. As of September 30, 2021, Omega had total capital available of Cdn\$11.7 (US\$9.2) million (December 31, 2020 - Cdn\$11.1 (US\$8.7) million) and a total capital required of Cdn\$2.2 (US\$1.7) million (December 31, 2020 - Cdn\$3.6 (US\$2.8) million) resulting in a MCT of 524% (December 31, 2020 of 304%). As of September 30, 2021 and December 31, 2020, Omega is in compliance with OSFI's MCT requirements.

OUTSTANDING SHARE DATA

At September 30, 2021, Till had 3,191,462 issued and outstanding restricted voting shares, and 226,000 outstanding options with a weighted exercise price of \$9.23 (Cdn\$11.76).

On January 28, 2021, Till granted an aggregate of 300,000 incentive stock options to directors, officers, and consultants of Till in accordance with Till's existing stock option plan to purchase up to 300,000 common shares of Till. The incentive stock options vest over two years and may be exercised at a price of Cdn\$12.00 per option for a period of four years from the date of grant.

During the three and nine months ended September 30, 2021, Till recognized stock-based compensation of \$43,875 and \$339,894, respectively (three and nine months ended September 30, 2020 - \$nil).

RELATED PARTY DISCLOSURES

(a) Compensation of key management personnel and directors

Key management personnel and directors comprise all members of Till's Board of Directors and executive officers. The compensation of key management personnel includes fees, salaries, share-based awards, and other employee benefits. During the three and nine months ended September 30,

TILL CAPITAL CORPORATION

Management's Discussion and Analysis

For the three and nine months ended September 30, 2021 and 2020

(Stated in US dollars)

2021, total compensation amounted to \$0.14 million and \$0.67 million, respectively, (three and nine months ended September 30, 2020 - \$0.14 million and \$0.42 million, respectively) including \$0.04 million and \$0.28 stock-based compensation during the three and nine months ended September 30, 2021, respectively (three and nine months ended September 30, 2020 - \$nil). One of Till's non-independent directors also serves as the CEO of SPD and receives \$12,000 a year from SPD for his services.

(b) Service agreements

Till is party to service agreements with SPD whereby Till provides administration, accounting, and corporate communications services on a cost-plus recovery basis. Till charged SPD \$15,000 and \$45,000 for the three and nine months ended September 30, 2021 and 2020, respectively, for those services.

(c) Common management

Dr. John (“Terry”) Rickard, a Till director, is the Chairman of the Management Committee of TCM, a joint venture in which IGT, a company in which Till has 7.7% ownership, is the majority owner. He is also a board member of IG Far East, a company over which Till is deemed to have significant influence. Dr. Rickard received compensation of \$0.19 million during the year ended December 31, 2020 from TCM and 20,000 units of IGT. See also Note 2(e) and Note 5(b).

Mr. William Lupien, Till's then Chief Investment Officer, independently accepted a role as an adviser to TCM in December 2019. That advisory role involved assisting TCM with the raising of private investment capital to support TCM's business as it advances from mineral exploration to production. Mr. William Lupien received compensation of \$0.06 million during the year ended December 31, 2020 from IGT. See also Note 2(e) and Note 5(b). Mr. William Lupien passed away in April 2021.

As of September 30, 2021, one of Till's directors is SPD's CEO and director, and another three of Till's directors are SPD directors.

OFF BALANCE SHEET ARRANGEMENTS

At September 30, 2021, Till had no material off-balance sheet arrangements or any obligations that could trigger material financing, liquidity, market, or credit risk to Till.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts and other disclosures in these consolidated financial statements. Amounts in the consolidated financial statements represent Till's best estimates and assumptions; however, the actual amounts could differ materially from those estimates. Till's principal use of estimates and assumptions include the valuation of royalty and mineral interests, projection of unpaid loss and loss expense adjustment reserves, assessment of reinsurance recoverables, including any provision for

TILL CAPITAL CORPORATION

Management's Discussion and Analysis

For the three and nine months ended September 30, 2021 and 2020

(Stated in US dollars)

uncollectible reinsurance, and composition of deferred income tax assets and liabilities. In addition, the preparation of financial statements requires management to make judgments in applying accounting policies. The judgment that has the most significant effect on the amounts recognized in the financial statements is the judgment in determining whether Till has significant influence over its investments in IGT and IGFE.

(a) Insurance Claim Reserves

Estimates are made for both the expected ultimate cost of claims reported at the reporting date and for the expected ultimate cost of claims incurred but not yet reported at the reporting date (“IBNR”). A significant amount of time may pass before the ultimate claim costs can be established with certainty, and, for some types of insurance policies, IBNR claim reserves constitute the majority of the liability in the accompanying consolidated statements of financial position.

The ultimate cost of outstanding claims is estimated by using a range of actuarial claim projection techniques. The principal assumption underlying those techniques is that a company’s past claims development experience can be used to project future claims development and the estimated ultimate claim costs. Those techniques extrapolate the development of paid and incurred losses based on the observed development of earlier years and expected loss ratios. Large claims are usually separately addressed either by being reserved at the value based on loss adjuster estimates or are separately projected to estimate their future development. Additional qualitative judgment is used to assess the extent to which past trends may not apply in the future when estimating the ultimate cost of claims.

Estimates are also made for the portion of the ultimate cost of outstanding claims that will be recoverable from reinsurers.

The insurance and reinsurance liabilities reported as liabilities held for sale are summarized as follows:

	September 30, 2021	December 31, 2020
Reserve for unpaid losses and loss adjustment expenses	\$ 11,706,113	\$ 11,454,610
Unearned premiums	12,794,356	12,876,197
Reinsurance payables	12,605,034	13,144,662
Unearned commissions	2,334,249	2,236,550
Total insurance and reinsurance liabilities	\$ 39,439,752	\$ 39,712,019

TILL CAPITAL CORPORATION

Management's Discussion and Analysis

For the three and nine months ended September 30, 2021 and 2020

(Stated in US dollars)

The insurance and reinsurance related assets reported as assets held for sale are summarized as follows:

	September 30, 2021	December 31, 2020
Unpaid losses and loss adjustment expenses ceded	\$ 7,495,598	\$ 7,599,554
Unearned premiums ceded	11,034,477	10,802,846
Premiums receivable and reinsurance recoverables	14,506,591	13,825,439
Deferred policy acquisition costs	1,292,209	1,850,201
Total insurance and reinsurance assets	\$ 34,328,875	\$ 34,078,040

(b) Classification and valuation of assets held for sale

Till follows the guidance of IFRS 5, for the classification of assets held for sale. Non-current assets classified as held for sale are measured at the lower of carrying amount and FVLCD. Estimates are made in the measurement of FVLCD. In assessing classification, Till considers all currently available information, including results of ongoing sales processes.

CHANGES TO ACCOUNTING STANDARDS

Standards and interpretations not yet adopted

(a) IFRS 9, Financial Instruments ("IFRS 9")

IFRS 9 is a three-part standard that replaces IAS 39, *Financial Instruments: Recognition and Measurement*. IFRS 9 became effective for fiscal years beginning on or after January 1, 2018. However, Till meets the eligibility criteria of the temporary exemption from IFRS 9 as provided by IFRS 4, *Insurance Contracts*, and has elected to defer the application of IFRS 9 until the effective date of the new insurance contracts standard IFRS 17, *Insurance Contracts* ("IFRS 17"), which is scheduled to become effective January 1, 2023. Till is currently evaluating the impact that IFRS 9, in conjunction with IFRS 17, will have on its condensed consolidated financial statements in future periods.

In accordance with the requirements of the temporary deferral, Till is required to present additional disclosure related to the classification and fair value of financial assets, as well as their credit rating.

Following the adoption of IFRS 9, the measurement of the group of assets with contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding will be determined based on either Till's business model objectives, or whether Till has elected to apply the fair value option to eliminate an accounting mismatch. That determination will be made at a later date. The assets in the other than SPPI group will be required to be measured at fair value through income or loss.

TILL CAPITAL CORPORATION

Management's Discussion and Analysis

For the three and nine months ended September 30, 2021 and 2020

(Stated in US dollars)

(b) IFRS 17, Insurance Contracts

In May 2017, the IASB issued IFRS 17, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation, and disclosure that replaces IFRS 4 ("IFRS 4") and introduces consistent accounting for all insurance contracts.

IFRS 17 provides a general model for the recognition of insurance contracts, as well as a simplified model (premium allocation approach) for short-duration contracts, that will be applicable for most property and casualty insurance contracts. The standard requires a company to measure insurance contracts using updated estimates and assumptions that give effect to the timing of cash flows and any uncertainty relating to insurance contracts. Additionally, IFRS 17 requires a company to recognize income as it delivers insurance services.

The main features of the simplified new accounting model for property and casualty insurance contracts are summarized as follows:

- A portfolio is a group of contracts covering similar risks and managed together as a single pool. As such, contracts are to be grouped for allocation of deferred policy acquisition costs, the calculation of risk adjustment, the determination of onerous contracts, and the application of the discount rate;
- Insurance liabilities are to be discounted at a rate that takes into consideration the characteristics of the liabilities (as opposed to a rate based on asset returns) and the duration of each portfolio. Entities are to report the effect of changes in discount rates either in net income or in other comprehensive income, according to their accounting policy choice;
- Changes in balance sheet presentation whereby unearned premiums are to correspond to premiums received in advance, while accounts receivable are to include amounts not yet received when revenue is recognized. In the condensed consolidated statement of loss, direct premiums written are no longer to be presented (only earned premiums are presented). Also, insurance results are to be presented without the impact of discounting. Amounts relating to financing and changes in discount rates are to be shown separately;
- Extensive disclosures are to be made to provide information on the recognized amounts from insurance contracts and the nature and extent of risks arising from those contracts.

The effective date of IFRS 17 is January 23, 2023. Earlier application is permitted if IFRS 9 is also applied. Retrospective application is required. However, if full retrospective application for a group of insurance contracts is impractical, the entity is required to select either a modified retrospective approach or a fair value approach. Till plans to adopt the new standard on the required effective date together with IFRS 9 (see above). Till expects the new standard will result in significant changes to its accounting policies for insurance contract liabilities; however, the impact on Till's consolidated financial statements has not yet been determined.

TILL CAPITAL CORPORATION

Management's Discussion and Analysis

For the three and nine months ended September 30, 2021 and 2020

(Stated in US dollars)

FINANCIAL RISK MANAGEMENT

(a) Insurance risk

Omega principally underwrites insurance lines of business that include personal property, commercial property, and liability lines of business. The various coverages underwritten have specific insurance contracts that set forth the specific insurance risk exposures, including the duration of the coverage. Omega is exposed to risks defined in those insurance contracts that it writes or assumes.

In addition to underwriting general insurance contracts, Omega has also assumed portfolios of existing business that are in run-off from other insurers through assumption reinsurance transactions. Those portfolios could be from any line of business that the transferring insurer underwrote prior to the effective date of assumption. Under those assumption reinsurance transactions, Omega is exposed to certain risks defined in the underlying insurance policies that were originally written by the transferring insurer.

The principal risk that Omega faces under both general insurance policies and reinsurance assumption transactions is that the actual claims and benefit payments, or the timing thereof, differs from the assumptions and/or expectations used to price the general insurance policies or reinsurance assumption transactions. That insurance risk is influenced by the frequency of claims, severity of claims, emergence of unknown claims, actual benefits paid, and subsequent development of claims, in particular long-tail claims. For long-tail claims that take years to settle, Till is also exposed to inflation risk. Till's objective is to ascertain, based on the business insured and other factors, that sufficient resources are available to cover known and unknown liabilities related to the business written and assumed.

Risk exposure is mitigated by diversification across a portfolio of insurance policies and geographical areas and by the use of various underwriting and claim review strategies. Inflation risk is mitigated by taking expected inflation into account when estimating insurance contract liabilities. Omega also purchases reinsurance as part of its risk mitigation strategies. Reinsurance is placed and assumed on both a proportional and non-proportional basis. The use of proportional and non-proportional reinsurance varies by line of business.

Amounts recoverable from reinsurers are estimated in a manner consistent with the underlying claim liabilities and in accordance with the reinsurance contracts. Although Omega has reinsurance arrangements in effect, Omega is not relieved of its obligations to its policyholders and, thus, a credit risk exposure exists with respect to such reinsurance arrangements.

The key assumption underlying the valuation of the reserve for unpaid losses and loss adjustment expense ("LAE") is that the future loss development will follow a similar pattern to past loss development experience, including average claim costs, claim handling costs, and other claim factors for each loss year. Additional qualitative judgments are used to assess the extent to which past trends may not apply in the future. Consideration is given to available industry data/information. Judgment is further used to assess the extent to which external factors, such as inflation, court decisions, and

TILL CAPITAL CORPORATION

Management's Discussion and Analysis

For the three and nine months ended September 30, 2021 and 2020

(Stated in US dollars)

government legislation, may affect the estimates. Other factors that may affect the reliability of loss and LAE assumptions include any variation in interest rates, claim settlement delays, and changes in foreign exchange rates.

(b) Liquidity risk

Liquidity risk is the risk that Till is unable to meet its financial obligations as they come due. Till manages that risk by continuous monitoring of its working capital to determine that its cash, cash equivalents, and investments exceed its estimated obligations.

(c) Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its obligations. Till's credit risk is primarily attributable to cash and cash equivalents, investments, premiums receivable, and reinsurance recoverables. Till has policies in place to limit and monitor its exposure to individual issuers and classes of issuers of investments. Till's insurance and reinsurance policies are distributed by brokers and agents who manage cash collection on its behalf, and Till monitors its exposure as regards of the activities of those brokers and agents. Till has policies in place that limit its exposure to individual reinsurers, and Till conducts regular review processes to assess the creditworthiness of reinsurers with whom it transacts business. Till also holds collateral for certain of its reinsurance arrangements.

(d) Investment risk

Till is exposed to investment risk to the extent that changes in market conditions impact the value of its investments. To mitigate that risk, Till actively monitors and manages its investments to limit losses.

RISKS

(a) Factors related to the regulatory and legal environment in which Till and its subsidiaries operate

- Governmental actions, including, but not limited to, implementation of new US federal and state, and Canadian laws and regulations, and court decisions interpreting existing laws and regulations or policy provisions.
- Uncertainties related to regulatory approval of insurance rates, policy forms, insurance products, license applications, dividends from insurance subsidiaries, acquisitions or divestitures of businesses, and other matters within the purview of insurance regulators.
- Insurance regulations to which Till's subsidiary is, or may become, subject, and potential changes thereto, could have a significant and negative effect on Till's business.
- Unforeseen adverse outcomes in litigation or other legal or regulatory proceedings involving Till, its subsidiaries or non-controlling interests, or affiliates.

TILL CAPITAL CORPORATION

Management's Discussion and Analysis

For the three and nine months ended September 30, 2021 and 2020

(Stated in US dollars)

(b) Factors related to insurance claims and related reserves in Till's insurance businesses

- The number and severity of insurance claims.
- Changes in facts and circumstances affecting assumptions used in determining loss and LAE reserves, including, but not limited to, the number and severity of insurance claims, changes in claim handling procedures, and claim closure and development patterns.
- The impact of inflation on insurance claims, including, but not limited to, the effects of personal injury claims and property claims.
- Developments related to insurance policy claims and coverage issues, including, but not limited to, interpretations or decisions by courts or regulators that may govern or influence losses incurred.
- Orders, interpretations, or other actions by regulators that impact the reporting, adjustment, and payment of claims.
- Changes in the pricing or availability of reinsurance, or in the financial condition of reinsurers, and amounts recoverable therefrom.

(c) Factors related to Till's ability to compete

- Changes, if any, in the ratings by rating agencies of Till and/or its insurance company subsidiary, with regard to credit, financial strength, claims-paying ability, and other areas on which those entities are or may be rated.
- The level of success and costs incurred in realizing or maintaining economies of scale, implementing significant business initiatives, including those related to, but not limited to, expenses, claims, consolidations, reorganizations, integration of acquired businesses, and divestitures of businesses.
- Absolute and relative performance of Till's products and services, including, but not limited to, the level of success achieved in designing and introducing new insurance products.
- The ability of Till to maintain the availability of critical systems and manage technology initiatives cost-effectively to address insurance industry developments and regulatory requirements.
- Heightened competition, including, with respect to pricing, entry of new competitors, and alternate distribution channels, introduction of new technologies, refinements of existing products, and development of new products by current or future competitors.
- The ability of Till to maintain adequate capital and liquidity.

TILL CAPITAL CORPORATION

Management's Discussion and Analysis

For the three and nine months ended September 30, 2021 and 2020

(Stated in US dollars)

(d) Factors related to the business environment in which Till and its subsidiaries operate

- Changes in general economic conditions, including, but not limited to, performance of financial markets, interest rates, inflation, unemployment rates, and fluctuating values of certain investments held by Till that may be thinly traded or that are subject to other market considerations.
- Till's outstanding restricted voting shares are not widely held, and, accordingly, the market for those restricted voting shares may be more volatile and less liquid than the securities of other publicly traded companies.
- Absolute and relative performance of investments held by Till, including derivative and resource-related investments.
- Investments in junior and intermediate resource companies that may have a significantly higher degree of volatility risk than other types of investments.
- Changes in insurance industry trends and significant industry developments.
- Changes in consumer trends and significant consumer or product developments.
- Changes in capital requirements, including the calculations thereof, used by regulators and rating agencies.
- Regulatory, accounting, or tax changes that may affect the cost of, or demand for, Till's products, services, or after-tax returns from Till's investments.
- Changes in distribution channels, methods, or costs resulting from changes in laws or regulations, lawsuits, or market forces.
- Increased costs and risks related to cybersecurity and information technology, including, but not limited to, identity theft, data breaches, and system disruptions affecting services and actions taken to minimize the risks thereof.
- Failure to maintain the security of personal data that may result in lost business, reputational harm, legal costs, and regulatory penalties.

INFORMATION REGARDING FORWARD LOOKING STATEMENTS

Certain statements contained in this MD&A, and in certain documents incorporated by reference herein, contain "forward-looking statements" within the meaning of applicable securities legislation. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements involve known and unknown risks, uncertainties and other

TILL CAPITAL CORPORATION

Management's Discussion and Analysis

For the three and nine months ended September 30, 2021 and 2020

(Stated in US dollars)

factors that may cause the actual results, performance, or achievements of Till to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Till believes the expectations pertaining to those forward-looking statements are reasonable, but there may be other factors that cause actions, events, or results not to be as anticipated, estimated, or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

In particular, this MD&A includes forward-looking statements pertaining, among others, to the following matters:

- business strategy, strength, and focus;
- proposed future expenditures;
- the satisfaction of certain conditions in respect of certain properties in which Till may obtain an interest;
- the granting of regulatory approvals;
- the timing and receipt of regulatory approvals;
- the resource potential of Till's properties and equity method investments;
- the estimated quantity and quality of mineral resources;
- projections of market prices, costs, and the related sensitivity of distributions;
- expectations regarding the ability to raise capital;
- treatment under governmental regulatory regimes and tax laws, and capital expenditure programs;
- expectations with respect to Till's future working capital position; and
- capital expenditure programs.

Readers are cautioned that the foregoing list of factors is not exhaustive. The forward-looking statements in this MD&A are made as of the date of filing this report or, in the case of documents incorporated by reference herein, as of the date of such documents. Till does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by applicable securities laws.