ARIZONA METALS CORP.

INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS

FOR THREE MONTHS ENDED MARCH 31, 2021

Introduction

The following interim Management Discussion & Analysis ("MD&A") of Arizona Metals Corp. ("AMC" or the "Company") for the three months ended March 31, 2021 has been prepared to provide material updates to the business operations, liquidity and capital resources of the Company since its last annual management discussion & analysis, being the Management Discussion & Analysis ("Annual MD&A") for the fiscal year ended December 31, 2020. This MD&A does not provide a general update to the Annual MD&A, or reflect any non-material events since the date of the Annual MD&A.

This MD&A has been prepared in compliance with section 2.2.1 of Form 51-102F1, in accordance with National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the Company's Annual MD&A, audited annual financial statements for the years ended December 31, 2020 and 2019, together with the notes thereto, and unaudited condensed interim consolidated financial statements for the three months ended March 31, 2021, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's unaudited condensed interim consolidated financial statements and the financial information contained in this Interim MD&A are 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. The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting. Accordingly, information contained herein is presented as of May 31, 2021, unless otherwise indicated.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors (the "Board"), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of AMC common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Description of Business

Prior to August 1, 2019, the Company was classified as a Capital Pool Company ("CPC") under TSX-V Policy 2.4. On August 1, 2019, the Company completed a reverse take-over transaction ("Transaction") with Croesus Gold Corp. ("Croesus") wherein the Company acquired 100% of the issued and outstanding common shares of Croesus and became a mineral exploration company based in Toronto, Ontario focused on precious and base metal exploration in the United States.

The Company's primary office is located at 66 Wellington Street West, Suite 4100, Toronto, Ontario, M5K 1B7, Canada.

AMC owns, through its wholly-owned subsidiaries, 100% of the Kay Mine Project ("Kay Mine"), located in Yavapai County, Arizona, USA and 100% of the Sugarloaf Peak Gold Project located in La Paz County, Arizona, USA.

Incorporation and Corporate Profile

The Company was initially incorporated under the name "Ring The Bell Capital Corp." under the *Canada Business Corporations Act* (the "CBCA") on June 28, 2017. The Company completed an Initial Public Offering ("IPO") on the TSX Venture Exchange ("TSX-V") on March 6, 2018 for

3,200,000 common shares for gross proceeds of $800,000. In connection with the IPO the Company paid the agent involved a commission of $80,000 (equal to 10% of the gross funds raised from the Offering), a corporate finance fee of $12,000 and reimbursed the agent for $15,986 of legal and filing fees. The Company also granted the agent warrants to acquire up to an aggregate of 320,000 common shares of the Company at a price of $0.25 per common share (after taking into account the subsequent 2.5:1 share consolidation of the Company for a period of two (2) years following the IPO. Any unexercised warrants expired on March 6, 2020, two (2) years from issuance. The common shares were listed on the TSX-V and commenced trading on March 9, 2018 under the stock symbol RTB.P.

On August 1, 2019, the Company completed the Transaction with Croesus wherein the Company acquired 100% of the issued and outstanding common shares of Croesus by way of a three-cornered amalgamation. Pursuant to the Transaction, Croesus shareholders acquired control of the Company. While the Company is the legal acquirer of Croesus, for accounting purposes the acquirer in the Transaction was is Croesus.

In connection with the Transaction, the Company filed Articles of Amendment effective July 31, 2019, consolidating the common shares of the Company and changing its name to "Arizona Metals Corp." The Company currently trades on the TSX-V under the symbol "AMC".

On August 6, 2020, the Company began trading on the OTCQB under the ticker "AZMCF" and moved to OTCQX in January 2021.

Mineral Exploration Properties

Kay Mine

The Company, through a wholly-owned subsidiary, owns 100% of approximately 1,330 acres of patented and unpatented claims covering and surrounding the past-producing Kay Mine, located in Yavapai County, Arizona, approximately 50 miles north of Phoenix. The Kay Mine claims are not subject to any royalties. The Kay Mine property hosts an historic resource estimate, defined by Exxon Minerals (Fellows, 1982) of 6.4 million short tons at a grade of 2.2% copper, 2.8g/t gold, 3.03% zinc, and 55g/t silver. Exxon used a copper equivalent cut-off grade of 2%. The historic estimate was defined from a depth of approximately 100m to 900m, and based on approximately 103 underground drill holes on 12 levels, thousands of underground samples, and approximately 7,500m in surface drilling. The Company has completed an initial drill program of approximately 6,700m. The 1982 estimate by Exxon did not use CIM categories. The Company's QP has not done sufficient work to classify the historic estimate as a current resource, and the Company is not treating the historic estimate as a current resource. In March 2019, prior to the completion of the Transaction, Croesus staked an additional 1,000 acres of BLM claims contiguous with the recently acquired Kay Mine claims. Croesus also completed a helicopter VTEM survey totaling 102 line kilometres covering the acquired and staked claims.

On August 8, 2019, the Company announced the results of a sample program completed at the Kay Mine Property, which can be found in the Company's news release dated August 8, 2019 filed on SEDAR.

In January 2020, the Company commenced a fully-funded 6,700 metre surface drilling program. In April 2020, the Company announced the assay results of the first seven drill holes of the drill program, KM-02-01 to KM-20-07, which all intersected massive sulphide mineralization. The results can be found in the Company's news release dated April 15, 2020 filed on SEDAR.

In March 2020, the Kay Mine drill program was temporarily suspended in response to the COVID-19 pandemic. The drill program resumed in May 2020.

In August 2020, the Company announced that the drilling at the South Zone of the Kay Mine Project has intersected massive sulphide mineralization. The results of the Phase 1 drill program can be found in the Company's news release dated August 5, 2020 filed on SEDAR.

In November 2020, the Company announced the results of Kay Mine Project's metallurgical review, which demonstrated the potential to produce saleable copper and zinc concentrates. Details can be found in the Company's news release dated November 9, 2020 filed on SEDAR.

In January 2021, the Company entered into a purchase option and sale agreement (the "Land Parcels Agreement") to acquire 100% of six parcels of patented land totaling 107 acres, located 900 metres northeast of its Kay Mine VMS Project. The purchase price was US$2,250,000 to be paid as follows:

(a) Cash consideration of US$200,000 upon entering into the purchase agreement (paid);
(b) Cash consideration of greater of US$500,000 and 20% of any financing done within the due diligence period on or before March 31, 2021 (US$1,500,000 paid); and
(c) The balance of cash consideration on or before December 31, 2021 (paid subsequent to March 31, 2021).

The terms of the purchase agreement included a due diligence period ended on March 31, 2021. Details can be found in the Company's news release dated January 4, 2021 filed on SEDAR.

In January 2021, the Company commenced the Phase 2 expansion drill program in the Kay Mine Project. The Phase 2 expansion drill program is fully-funded and will consist of a minimum of 75,000 metre in 29 drill holes. In February 2021, a second drill rig was mobilized. The details of the Phase 2 expansion drill program can be found in the Company's news release dated February 8, 2021 filed on SEDAR.

The technical information contained in this MD&A has been prepared in accordance with Canadian regulatory requirements set out in *National Instrument 43-101 – Standards for Disclosure for Mineral Projects* ("NI 43-101") and reviewed and approved by David Smith, CPG, a Qualified Person as defined under NI 43-101.

Sugarloaf Peak Gold Project

The Company, through a wholly-owned subsidiary, owns 100% of the Sugarloaf Peak Gold Project, which is composed of 219 BLM claims with dimensions of approximately 4km x 6km and hosts an historic resource "containing about 1.5 million ounces gold and 25 million ounces of silver in a volume of about 100 million tons" (Dausinger, 1983). This estimate was based on work by Westworld Resources (1981-1983) which totaled 2,500 feet of drilling in 10 holes to a maximum depth of only 76m. The historic estimate was not defined using CIM categories. Additional drilling totaling 4,400m was completed by Riverside Resources Inc. ("Riverside") and Choice Gold between 2009 and 2012. A Titan-24 geophysical survey was also undertaken during this period. The average drill hole spacing at Sugarloaf is 150m and the Company estimates an initial drill program of at least 10,000m will be required. The Company's qualified person ("QP") has not done sufficient work to classify the historic estimate as a current resource, and the Company is not treating the historic estimate as a current resource. The Company acquired four (4) additional claims subsequent to acquisition.

In August 2020, the Company announced start of drilling at the Sugarloaf Peak Gold Project. The first drill hole from its recently completed 1,748m drill program. The results can be found in the Company's news release dated August 11, 2020 filed on SEDAR.

Operational Highlights

On January 26, 2021, the Company closed a non-brokered private placement of 10,526,315 common shares of the Company at $0.95 per common share for gross proceeds of $10,000,000. In connection with the offering, the Company paid cash finders' fees totaling $211,787 and other share issuance cost of $59,693.

On February 8, 2021, the Company granted 200,000 stock options to directors of the Company with an exercise price of $1.00 per share, expiring five years from the date of issuance. The stock options vested immediately upon issuance.

In January 2021, the Company commenced the Phase 2 expansion drill program in the Kay Mine Project. The Phase 2 expansion drill program is fully-funded and will consist of a minimum of 75,000 metre in 29 drill holes. In February 2021, a second drill rig was mobilized. The details of the Phase 2 expansion drill program can be found in the Company's news release dated February 8, 2021 filed on SEDAR.

Discussion of Operations

Three Months Ended March 31, 2021 Compared to Three Months Ended March 31, 2020

For the three months ended March 31, 2021, the Company's net loss was $5,245,056 compared to $1,555,742 for the three months ended March 31, 2020. The increase in net loss is a result of the following:

- Exploration and evaluation expenditures increased to $4,663,100 for the three months ended March 31, 2021 (2020 - $1,362,681) due to increased level of exploration activities in the Sugarloaf and Kay Mine Projects, including the entering into of the Land Parcels Agreement.

- Share-based payments increased to $236,524 for the three months ended March 31, 2021 (2020 - $nil). Share-based payments will vary based on the vesting of stock options.

Capital Management

The Company manages its capital with the following objectives:

- to ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities, and pursuit of accretive acquisitions; and
- to maximize shareholder return through enhancing the share value.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by management and the Board of Directors on an ongoing basis.

The Company considers its capital to be equity, comprising share capital, reserves and deficit, which at March 31, 2021, totaled $10,557,702 (December 31, 2020 - $4,596,754).

The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. The forecast is updated based on activities related to its mineral properties. Selected information is provided to the Board of Directors.

As the Company does not have a credit facility, the Company is not currently subject to any capital requirements imposed by a lending institution or regulatory body. The Company expects that its capital resources will be sufficient to discharge its liabilities as of the current statement of financial position date.

There were no changes in the Company's process, policies and approach to capital management during the period ended March 31, 2021.

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than TSX-V which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of six (6) months. As of March 31, 2021, the Company believes it is compliant with the policies of the TSX-V.

Off-Balance-Sheet Arrangements

As of the date of this MD&A, 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 financial performance or financial condition of the Company, including, and without limitation, such considerations as liquidity and capital resources.

Commitments and Contingencies

Environmental contingencies

The Company's mineral exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Management contracts

The Company is party to certain employment contracts. These contracts require that additional payments of approximately $900,000 be made upon the occurrence of a change of control or termination without cause. As a triggering event has not taken place, the contingent payments have not been reflected in these consolidated financial statements.

Liquidity and Capital Resources

At March 31, 2021, the Company had $10,660,696 in cash (December 31, 2020 - $3,885,930).

At March 31, 2021, accounts payable and accrued liabilities were $1,032,029 (December 31, 2020 - $188,449). The Company's cash balance as at March 31, 2021 is sufficient to pay these liabilities.

The Company has no operating revenues and therefore must utilize its funds from financing transactions to maintain its capacity to meet ongoing operating activities.

As of March 31, 2021 and to the date of this MD&A, the cash resources of the Company are held with one Canadian chartered bank. The Company has no variable interest rate debt and its credit and interest rate risk is minimal. Accounts payable and accrued liabilities are short-term and non-interest-bearing.

Cash provided by financing activities were $10,969,480 for the three months ended March 31, 2021, which included proceeds from private placements share issuance of $10,000,000, proceeds from exercise of warrants of $1,077,960 and proceeds from exercise of stock options of $163,000, offset by cost of issue of $271,480.

Cash used in operating activities were $4,110,019 for the three months ended March 31, 2021. Operating activities were affected by a net loss of $5,245,056 offset partially by share-based payments of $236,524 and the net change in non-cash working capital balances of $898,513 because of a decrease in sales tax recoverable, a decrease in prepaid expenses and an increase in accounts payable and accrued liabilities.

Cash used in investing activities were $84,695 for the three months ended March 31, 2021. Investing activities consisted of payment of reclamation bonds.

Trends and Economic Conditions

Management regularly monitors economic financial market conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions. Unit recently, equity markets in the junior resource exploration sector have been difficult. To date, the Company has been able to raise sufficient capital to fund exploration programs on both properties. Due to the worldwide COVID-19 pandemic, material uncertainties may arise that could influence management's going concern assumption. Management cannot accurately predict the future impact COVID-19 may have on:

- Global commodity prices;
- Demand for gold and copper and the ability to explore for gold and copper
- The severity and the length of potential measures taken by governments to manage the spread of the virus, and their effect on labour availability and supply lines;
- Availability of government supplies, such as water and electricity;
- Purchasing power of the Canadian dollar; and
- Ability to obtain funding.

At the date of this Interim MD&A, neither the Canadian federal government the United States Federal Government or the State of Arizona have introduced measures that have directly impeded the operational activities of the Company. Management believes the business will continue and, accordingly, the current situation has not impacted management's going concern assumption. However, it is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods.

Apart from these factors and the risk factors noted under the heading "Risk Factors" and under "Commitments and Contingencies", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations.

Transactions with Related Parties

Related parties include the Board of Directors, close family members and enterprises which are controlled by these individuals as well as certain persons performing similar functions.

Remuneration of directors and key management personnel of the Company was as follows:

	Three Months Ended March 31, 2021 $	Three Months Ended March 31, 2020 $
Salaries and benefits	121,635	81,220
Share-based payments	169,076	Nil
Professional fees	10,834	10,932
Legal fees	52,001	54,131
	353,546	**146,283**

Included in professional fees is $10,834 (three months ended March 31, 2020 - $10,932) paid to Marrelli Support Services Inc. ("MSSI") for Eric Myung, an employee of MSSI, to act as the Chief Financial Officer ("CFO") of the Company and bookkeeping services. As at March 31, 2021, $2,318 (December 31, 2020 - $2,318) was owed to MSSI and this amount was included in accounts payable and accrued liabilities. The amount owing is unsecured, non-interest bearing with no fixed terms of repayment.

A director of the Company is a partner in a law firm that provides services on a recurrent basis to the Company. During the three months ended March 31, 2021, the Company incurred legal fees of $31,354 (three months ended March 31, 2020 - $nil) included in professional fees and share issuance costs of $20,647 (three months ended March 31, 2020 - $54,131) to this law firm. As of March 31, 2021, included in accounts payable and accrued liabilities is an amount of $63,967 (December 31, 2020 - $11,966) owing to this law firm. The amount owing is unsecured, non-interest bearing with no fixed terms of repayment.

During the three months ended March 31, 2020, related parties have subscribed for a total of 700,000 common shares for aggregate gross proceeds of $350,000.

Subsequent Events

On April 22, 2021, the Company completed a bought-deal private placement offering of 10,000,000 special warrants of the Company at a price of $2.10 per special warrant for aggregate gross proceeds of $21,000,000.

Each special warrant entitles the holder to receive, without payment of additional consideration, one (1) unit of the Company, on the date which is the earlier of:

(i) the second business day following the date on which a final receipt is obtained from the Ontario Securities Commission for a (final) short form prospectus qualifying for distribution of the units (the "Qualification Date"); and
(ii) August 23, 2021.

Each unit consists of one (1) common share of the Company and one-half of one (1/2) common share purchase warrant. Each whole warrant will entitle the holder to purchase one (1) common share of the Company at $3.00 per warrant until April 22, 2022. In the event the Qualification Date has not occurred on or before July 2, 2021, the exercise price of each warrant will be reduced to $2.47 per share. In connection with the offering, the Company paid (i) a cash commission of 6% of the gross proceeds of the offering, excluding gross proceeds from the issuance of units on a president's list agreed upon by the Company and the underwriters, for which a commission of 3% of such gross proceeds was paid; and (ii) 525,442 compensation warrants. Each compensation warrant is exercisable into one (1) unit of the Company at a price of $2.10 per unit until April 22, 2022.

Subsequent to March 31, 2021, 790,557 warrants with exercise prices ranging from $0.40 to $0.85 per share were exercised for gross proceeds of $583,083.

Risk Factors

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. Please refer to the section entitled "Risk Factors" in the Company's Annual MD&A for the fiscal year ended December 31, 2020 available on SEDAR at www.sedar.com.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, investment fluctuations, and commodity and equity prices. The COVID-19 pandemic and its economic consequences have an extenuating impact on the current volatility of financial markets. Market conditions will cause fluctuations in the fair values of financial assets classified as held-for-trading, or available-for-sale and cause fluctuations in the fair value of future cash flows for assets or liabilities classified as held-to-maturity, loans or receivables and other financial liabilities. The Company is not exposed to significant interest rate risk as the Company has no variable interest bearing debt. The Company's ability to raise capital to fund exploration or development activities is subject to risks associated with fluctuations in gold and metal prices. Management closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Pandemic Risk

The outbreak and spread of COVID-19, declared a pandemic by the World Health Organization, has already had significant human, political, and economic consequences around the world. COVID-19 is still evolving, and its full impact remains to be determined. However, its effects include financial market volatility, interest rate cuts, disrupted movement of people and diminished consumer confidence. The effects of the coronavirus may be difficult to assess or predict with meaningful precision both generally and as an industry- or issuer-specific basis. This is an uncertain issue where actual effects will depend on many factors beyond the control of the Company.

Disclosure of Internal Controls

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

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

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

(ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of unaudited condensed interim financial statements for external purposes in accordance with the issuer's generally accepted accounting principles (IFRS).

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in the certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Forward-Looking Statements

Certain information included in this discussion may constitute forward-looking statements. Readers are cautioned not to put undue reliance on forward-looking statements. These statements relate to future events or the Company's future performance, business prospects or opportunities. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These forward-

looking statements include statements regarding the future price of gold, the timing and amount of estimated future production, costs of production, capital expenditures, the success of exploration activities, permitting time lines, currency fluctuations, the requirements of future capital, drill results and the estimation of mineral resources and reserves. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements contained into this report should not be unduly relied upon. These statements speak only as of the date of this report. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this report. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about:

- *general business and economic conditions;*
- *the supply and demand for, deliveries of, and the level and volatility of prices of gold, base metals, as well as petroleum products;*
- *the availability of financing for the Company's development of their projects on reasonable terms;*
- *the ability to procure equipment and operating supplies in sufficient quantities and on a timely basis;*
- *the ability to attract and retain skilled staff;*

These forward-looking statements involve risks and uncertainties relating to, among other things, changes in commodity and, particularly, gold prices, access to skilled mining development personnel, results of exploration and development activities, uninsured risks, regulatory changes, defects in title, availability of materials and equipment, timeliness of government approvals, actual performance of facilities, equipment and processes relative to specifications and expectations and unanticipated environmental impacts on operations. Actual results may differ materially from those expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to, the risk factors hereinabove. Investors should not place undue reliance on forward-looking statements as the plans, intentions or expectations upon which they are based might not occur. The Company cautions that the foregoing list of important factors is not exhaustive. Investors and others who base themselves on the Company's forward-looking statements should carefully consider the above factors as well as the uncertainties they represent and the risk they entail. The forward-looking statements contained in this report are expressly qualified by this cautionary statement.