



Management's Discussion and Analysis

Financial year ended June 30, 2020

Containing information as of October 23, 2020

Caution Regarding Forward-Looking Information

Certain of the statements made and information contained herein and in the financial statements is “forward-looking information” within the meaning of the *Securities Act* (British Columbia) and the *Securities Act* (Alberta). This includes statements by GoldON Resources Ltd. (the “Company” or “GoldON”) concerning exploration results, including deposit size, quantities, grades and contained metals, which are generally made on the basis of estimations and extrapolations from a limited number of samples, drill holes and assays. These estimations and extrapolations are subject to uncertainties which include but are not limited to uncertainties in connection with evaluating a deposit until the deposit has been extensively drilled on closely spaced centres. Should one or more of these underlying estimations or extrapolations prove incorrect, actual results may vary materially from those described in forward-looking statements.

Forward-looking statements contained herein also include the Company’s future operating costs and exploration plans at its mineral properties. These involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. Forward-looking information is subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking information including, without limitation, the ability of the Company to continue to be able to access the capital markets for funding necessary for operating costs, to acquire and maintain exploration properties and to carry out its desired exploration programs; difficulties in executing exploration programs on the Company’s proposed schedules and within its cost estimates, whether due to weather conditions in the areas where it operates, increasingly stringent environmental regulations and other permitting restrictions, or the availability of essential supplies and services; and factors beyond the capacity of the Company to anticipate and control, such as the marketability of minerals, government regulations relating to health, safety and the environment, and the scale and scope of royalties and taxes on production. Should one or more of these risks or uncertainties materialize actual results may vary materially from those described in forward-looking statements.

Accordingly, readers are advised not to place undue reliance on forward-looking information. Except as required under applicable securities legislation, the Company undertakes no obligation to publicly update or revise forward-looking information, whether as a result of new information, future events or otherwise.

Description of Business

GoldON is a junior exploration company listed on the TSX Venture Exchange. It is in the process of exploring its mineral properties and has not yet determined whether these properties contain ore reserves that are economically recoverable.

The Company owns the Slate Falls Project, a gold and silver project located near Slate Falls in northwestern Ontario, and has options to purchase the West Madsen Gold Project in the Red Lake Gold Camp, the Red Lake properties, and the Bruce Lake property located 36 kilometres southeast of Red Lake, Ontario.

The following discussion and analysis of the operations, results and financial position of the Company should be read in conjunction with the financial statements as of and for the year ended June 30, 2020 and the notes thereto (the “financial statements”). The financial statements are incorporated herein by reference.

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and unless otherwise cited, references to dollar amounts are Canadian dollars. The financial statements were prepared on a going concern basis, which presumes the realization of assets and the discharge of liabilities in the normal course of business for the foreseeable future. The Company had working capital of \$707,900 at June 30, 2020 and has accumulated losses of \$15,372,673 since incorporation. The Company's ability to meet its obligations and maintain its operations is contingent upon additional financing or profitable operations in the future.

Overall Performance and Discussion of Operations

Fourth Quarter Results

During the fourth quarter of its 2020 financial year, our net income was \$49,994, as compared with an \$86,522 net loss during the corresponding period last year. This \$136,516 improvement was caused mainly by a \$117,438 non-cash flow-through recovery relating to the derecognition of a flow-through share premium and a \$19,598 decrease in operating expenses. The decrease in operating expenses, in turn, was largely the result of a \$10,596 decrease in consulting fees and an \$8,694 decrease in transfer agent and filing fees both relating to transactions in last year's fourth quarter not repeated in the fourth quarter of 2020.

Annual Results

During its 2020 financial year, the Company experienced a \$760,621 net loss, as compared with a \$346,920 loss during the preceding year. This \$413,701 increased loss was caused mainly by a \$461,782 non-cash increase in share-based compensation expense relating to the grant of stock options, a \$76,352 decrease in gains on the sale of exploration and evaluation assets, and a \$44,048 increase in travel and promotion expenses. This was reduced in part by a \$175,363 non-cash flow-through recovery relating to the derecognition of a flow-through share premium.

Cash Flow

As of the June 30, 2020 year-end, the Company had cash of \$941,578 as compared with \$752,301 at the beginning of the year – an increase of \$189,277. Of this total, \$456,876 of cash was used for its operations and \$1,185,254 was used for the exploration and maintenance of the Company's gold projects. During the 2020 financial year, the Company received \$1,832,613 from three private placements and the exercise of warrants and options.

For a detailed breakdown of exploration and evaluation assets for the 2020 financial year on a property-by-property basis as well as for the preceding year, refer to the Schedules of Exploration and Evaluation Assets accompanying the financial statements.

General

The Company continues to pursue its project at Slate Falls, Ontario and its West Madsen, Red Lake and Bruce Lake projects. In general, gold prices remain historically strong. Many analysts expect gold prices to remain stable or strengthen in the long term, so the Company plans to continue its strategy of advancing its mineral properties to add shareholder value.

Current global uncertainty with respect to the COVID-19 pandemic and its effect on the Canadian economy and financial markets may have significant and as-yet unpredictable effects on the Company. While the impact remains unknown, ongoing spread of the virus and periodic future

recurrences may have a material adverse effect on economic activity and could affect exploration plans, disrupt metals and financial markets, and affect other factors relevant to the Company.

Selected Annual Information

	2020	2019	2018
Revenue	\$ -	\$ -	\$ -
Net loss	(760,621)	(346,920)	(227,619)
Net loss per share	(0.05)	(0.03)	(0.03)
Total assets	3,074,423	1,235,928	238,198
Total non-current financial liabilities	-	-	-
Cash dividends declared	-	-	-

Summary of Unaudited Quarterly Results

	2020				2019			
	4 th Quarter	3 rd Quarter	2 nd Quarter	1 st Quarter	4 th Quarter	3 rd Quarter	2 nd Quarter	1 st Quarter
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating loss	(67,015)	(93,590)	(581,677)	(193,277)	(86,613)	(218,357)	(53,725)	(64,668)
Net income (loss)	49,994	(93,590)	(523,752)	(193,273)	(86,522)	(142,005)	(53,725)	(64,668)
Net income (loss) per share	0.00	(0.01)	(0.03)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)

Variations in operating loss from quarter to quarter typically result from increases or decreases in exploration and property acquisition activity. During periods of greater activity, such as the third and fourth quarters of 2019 and the first three quarters of 2020, professional fees, consulting fees, costs relating to regulatory approvals and travel costs will typically increase.

During the third quarter of 2019 and the first and second quarters of 2020, non-cash share-based compensation resulted in marked increases in the operating loss. A gain on the sale of exploration and evaluation assets helped to reduce the overall third quarter 2019 net loss. A non-cash flow-through recovery relating to derecognition of a flow-through share premium also served to reduce 2020's second and fourth quarter net losses.

The quarterly results summarized herein were prepared in accordance with International Financial Reporting Standards and are expressed in Canadian dollars.

Liquidity and Capital Resources

The Company does not yet generate positive cash flow from operations and is therefore reliant upon the issuance of its own common shares to fund its operations. As of the date hereof, the Company is adequately funded for the short term. To continue to fund operations and to undertake its longer-term exploration plans, the Company must raise new equity capital. There is, however, no certainty that such financings will be completed.

The Company has no debt obligations and no commitments other than as described herein and in its financial statements. Management expects that the Company presently has enough working capital to fund operating costs through at least June 2021.

Mineral Exploration Activities

Slate Falls Project

The Company owns 82 cell mineral claims covering approximately 5,687 hectares located five kilometres northeast of the community of Slate Falls, 90 kilometres west of Pickle Lake, 120

kilometres north of Sioux Lookout and 160 kilometres east of Red Lake. The community of Slate Falls is accessible by an all-weather road and regionally the area is well traversed by logging roads and trails. Slate Falls is also accessible by float- or ski-equipped plane charters from Pickle Lake, Sioux Lookout or Red Lake.

The Slate Falls Project is located between the Red Lake and Pickle Lake Gold Camps in the Patricia Mining Division and covers stratigraphy that is similar to and contemporaneous with the stratigraphy which hosts the past-producing (September 1988 to March 1997) Golden Patricia Gold Mine, 30 kilometres to the northeast.

The property is composed of mafic metavolcanic rocks deposited in a submarine environment. The mafic metavolcanics are intruded by gabbroic sills, mafic to ultramafic intrusive bodies and felsic quartz-feldspar porphyry dykes and stocks. The felsic North Bamaji Pluton occurs along the north shore of North Bamaji Lake. The greenstone belt has undergone two generations of regional folding and shearing to form the Bamaji shear zone. The Rockmere-Wesleyan synform strikes east-west across the length of the Property with an eastwardly plunging fold axis (Wallace, 1985, GR232). The fold axis of an antiformal structure strikes northeast from the central-northern part of the Property near the Sanderson zone. The shear zones which host quartz veins and sulphide mineralization strike east-west with sub-vertical dips.

2019 Fieldwork

Prospecting, sampling and reconnaissance mapping was carried out at several locations on the Project including the historical Trail, Sanderson, Sanderson East and Sanderson North zones, and other areas of interest. The first batch of results was from 10 of the 99 rock grab samples collected and sent for gold (Au), silver (Ag) and multi-element analysis. Management cautions that grab rock samples and their respective photographs are selective by nature and may not represent the true grade or style of mineralization across the Project.

Rock Sample #	Au g/t	Ag g/t	Rock Description
251114	112.82	933	Trail Zone: 5 cm white-grey, locally recrystallized, locally smoky quartz vein. 1% pyrite/chalcopyrite, 1% euhedral galena, 0.5% sphalerite. Some malachite staining (see high-resolution photo of sample).
251115	267.11	2,119	Trail Zone: 3-4 cm, locally sugary, locally recrystallized quartz vein. 2-3% pyrite/chalcopyrite, 1-2% euhedral galena, 0.5% sphalerite (see photo).
251118	106.10	1,064	Trail Zone: white-grey, recrystallized, rusty quartz vein with 3-4% euhedral galena 0.5% subhedral-euhedral pyrite, 0.5% sphalerite (see photo).
251119	331.76	3,025	Trail Zone: white, recrystallized quartz vein with 2-3% galena as up to 2-3 mm cubes, 1% subhedral pyrite, trace sphalerite (see photo).
251127	0.22	13	Sanderson Zone: 15 by 10 by 25 cm quartz block. Sugary, white-grey, minor rust, 0.5% pyrite, trace chalcopyrite (see photo).
251132	3.23	314	Sanderson Zone: rusty, sugary, grey-white quartz vein. 0.5% pyrite, 0.5% chalcopyrite, trace galena, trace malachite, minor ankerite (see photo).
251146	41.97	1,742	Sanderson Zone: rusty quartz vein near old channel sample. 10% galena, 2-3% pyrite. Possible minor ankerite (see photo).
251150	17.09	1535	Sanderson Zone: glassy, white quartz vein. Moderate rust, possible minor ankerite. 30-40% fine galena, 1-2% pyrite (see photo).

Rock Sample #	Au g/t	Ag g/t	Rock Description
251157	3.13	236	Sanderson Zone: 1 m east of previous, same vein. Glassy, white, 3-4% galena, 2-3% chalcopryite, 2-3% pyrite (see photo).
251178	10.14	123	Sanderson East Zone: 7.5 cm quartz vein in rusty shear at 074 degrees with subvertical dip, possible slight S bias. Glassy, white, minor rust, 2-3% chalcopryite, 2-3% sphalerite, 0.5% coppery, metallic mineral, a bit pinkish at first glance (looks similar to native Cu) (see photo).

Four rock grab samples (251114, 251115, 251118 & 251119) were collected from the Trail Zone, where stripping from west to east was observed over approximately 90 metres along strike. Approximately 1.05 kilometres northeast of the Trail Zone, five rock grab samples (251127, 251132, 251146, 251150 & 251157) were collected from the Sanderson Main Zone where stripping from west to east was observed over approximately 225 metres along strike. The tenth grab sample (251178) was collected at the Sanderson East Zone, which is located approximately 270 metres east of the eastern end of the Sanderson Main Zone.

Two of the ten samples (251146 & 251150) returned over limit copper (Cu) grades of 2.66% and 2.81%, two of the ten samples (251115 & 251150) returned over limit zinc (Zn) grades of 1.54% and 1.72% and seven of the ten samples (251146, 251132, 251114, 251115, 251150, 251118 & 251119) returned over limit lead (Pb) grades of 1.06%, 1.14%, 1.73%, 1.76%, 2.61%, 4.97% and 8.95%. While chalcopryite was observed in several of the samples, it does not explain the highly anomalous copper grades. Tetrahedrite, a copper antimony (Sb) sulfosalt, is mentioned in some of the historical reports on the property and is likely the reason for the high copper grades based on elevated Sb in the trace element results.

All four samples collected at the Trail Zone correlate very well with over limit gold, silver and lead and one sample with over limit zinc. At the Sanderson Main Zone, two of the over limit gold samples also returned over limit copper, lead, and silver grades.

Assay results for the remaining 89 samples ranged from nil up to 282.94 grams per ton (g/t) Au and 2,141 g/t Ag. Highlights from second batch of sample assay results included:

Sample #	Au g/t	Ag g/t	Rock Sample Location
251116	282.94	2,141	Trail Zone
251117	162.00	1,832	Trail Zone
251118	106.10	1,064	Trail Zone
251123	32.95	542	Trail Zone
251152	11.63	141	Sanderson Zone
251171	9.13	310	Sanderson North Zone
251176	7.40	416	Sanderson East Zone
251190	1.16	17	Trail Zone Area Trench 100 metres NE of main Trail Zone
251033	0.52	5	East Claims, 4.7 km SE of Trail Zone
251110	0.46	5	820 metres SW of Trail Zone

Seven of the second batch of rock grab samples were from the Trail Zone Trench and returned the best results of 282.94 g/t Au, 2,141 g/t Ag, 2.47% lead (Pb) and 1.9% zinc (Zn) from sample 251116 that was described in the field as rusty quartz rubble with 1% pyrite/chalcopryite, 1% galena and 1% sphalerite, with minor malachite staining.

Twenty-two samples were from the Sanderson Main Zone Trench and returned the best results of 11.63 g/t Au and 141 g/t Ag from sample 251152 that was described in the field as quartz rubble with 5-10% pyrite.

Sixteen samples were from the Sanderson North Trench and returned the best results of 9.13 g/t Au, 310 g/t Ag and 1.55% Zn from sample 251171 that was described in the field as a quartz stringer on the margin of an east-west trending felsic dyke, with 0.5% chalcopyrite and 0.5% galena (and probably had unidentified sphalerite given the Zn grades).

Six samples were from the Sanderson East Zone Trench and returned the best results of 7.40 g/t Au, 416 g/t Ag, 1.57% Pb and 2.53% Zn from sample 251176 that was described in the field as quartz with 1% chalcopyrite, 1% galena, and 1% sphalerite from a 20 cm wide, 100-degree trending vein.

Fourteen samples were taken in trenched areas east and 100 metres northeast of the Trail Zone and returned the best result of 1.16 g/t Au from sample 251190 that was described in the field as strongly sheared and altered felsic intrusive with a few 2-3 cm quartz stringers from a 30 cm wide shear, trending 096/79 degrees south.

Eighteen samples were taken in the eastern portion of the Property (4.7 km southeast of Trail Zone) where altered, sheared and mineralized felsic intrusive was observed as well as an up to 80 cm wide quartz vein in an approximately east-west shear in felsic intrusive, exposed for about 20 m along strike. The best result returned from this area was 0.52 g/t Au from sample 251033 that was described in the field as silicified, sheared felsic intrusive with minor-moderate rust, minor-moderate sericite and 1% disseminated pyrite.

The remaining 6 samples were taken in miscellaneous areas on the Property. The best result returned was 0.455 g/t Au from sample 251110 located 820 metres southwest of the Trail Zone that was described in the field as a 2-3 cm sugary quartz vein within a felsic dyke, within mafic volcanics, with 1% pyrite overall.

The prospecting and sampling program demonstrated that this portion of the Fry Lake-Bamaji Lake Deformation corridor is well endowed with precious and base metal minerals. Mineralization was not only confirmed at previous documented historical trenches but expanded along strike. The program has also demonstrated that gold and silver mineralization is not only confined to the volcanic-sedimentary sequence, but also found in later felsic intrusive lithologies.

Rock grab samples were personally collected by Bruce MacLachlan, P.Geo. (Limited), secured with zip ties and remained in his custody until personally delivered to SGS Laboratories in Thunder Bay, Ontario for sample preparation. Analyses was performed at SGS Laboratories in Burnaby, British Columbia. Primary analytical methods by SGS for Au was GE_FAI313, a 30g Fire Assay with an ICP-OES finish. Over-limits for Au beyond 10,000 ppb were then analyzed using method FAG333, a lead fusion fire assay method with a gravimetric finish. Primary analytical methods for Ag, Cu, Pb and Zn were analyzed utilizing SGS method GE_ICP40B, a 33 element 4 acid digest ICP-OES method. Over-limits on Cu, Pb and Zn were analyzed utilizing GE_ICP41Q, while Ag over-limits were analyzed using FAG333 as described above. SGS Laboratories practices stringent Quality Control Protocols with an insertion frequency of 14% for exploration and ore grade samples which includes sample reduction blanks and duplicates, method blanks, weighted pulp replicates and reference materials. There were no QA/QC failures in the above sample batches.

2019 Drilling Program

In November 2019, the Company completed a nine-hole, 1,006.5-metre drilling program that tested targets at the Trail Zone, and the Sanderson Main, East and North zones, where summer sampling and mapping confirmed high-grade gold and silver values. Drilling not only targeted the polymetallic quartz veins but also the shear zones hosting the high-grade veins as little historical sampling was completed on the host-rock both in previous drilling and trenching programs.

Drilling concentrated on intersecting surface sample results approximately 50 metres vertically below while allowing for possible additional parallel shear zones in the footwall and hanging wall within the Slate Falls Deformation Zone hosting a D2 anticlinal fold axis. All holes hit mineralized shear zones at target depth, as well as parallel mineralized shear zones in addition to mineralized and altered feldspar porphyry. Analytical results from the drill program are summarized below.

Drill Hole #	Target Area	From (m)	To (m)	Width (m)	Au (g/t)	Ag (g/t)
SF-19-01	Trail	37.72	38.75	1.02	5.13	38.0
SF-19-02	Trail	77.23	77.52	0.29	21.40	15
SF-19-03	Sanderson Main	53.28	53.67	0.39	4.60	31
SF-19-03	Sanderson Main	93.58	93.93	0.35	5.34	99
SF-19-04	Sanderson Main	81.59	82.16	0.57	0.454	4
SF-19-05	Sanderson Main	74.5	75.6	1.10	0.694	24.8
SF-19-06	Sanderson East	69.42	69.66	0.24	78.5	73.7
SF-19-07A	Sanderson North	49.13	51.11	1.98	0.171	1.8
SF-19-08	Sanderson Main	131.48	133.0	1.52	0.275	3

Hole SF-19-07 was abandoned and re-started as SF-19-07A. The above intervals are down-hole intervals. True widths are not known at this time.

Drilling beneath the high-grade gold-silver showings confirmed the presence of multiple parallel quartz-carbonate biotite enriched shear zones with appreciable amounts of gold and silver.

2020 Geophysical Program

In April 2020, the Company began its next phase of exploration for the Slate Falls property with a property-wide airborne magnetometer (MAG) survey. Prospectair Geosurveys was contracted to complete the heliborne high-resolution MAG survey that included 50 metre flight line spacings for a total of 1,563-line kilometres to cover the entire property.

Orix Geoscience subsequently completed a structural study incorporating the 2020 MAG survey data with all known lithological and mineralogical information and structural measurements. The result of the Orix study is a far better understanding of the geological and structural framework of the Property.

Results of the data compilation and reinterpretation study are as follows:

1. A vastly improved geological map that has turned a 'sea of green' into a concise stratigraphic and folded layering of various volcanic, ultra-mafic and felsic intrusive lithologies.
2. Extension of the greenstone belt into previously interpreted bounding felsic intrusive plutons.
3. Three deformational events (D1, D2 and D3).
4. Late syn- to post D3 structures.

5. Increased knowledge in the relationship between structure and known mineralization.

Many important mineralized zones are in/or proximal to either major early D2 generally dextral east-west shear zones or splays. Similarly, the intersection of late D3 north northeast striking structures with early D2 east-west structures appears to control the mineralized zones structurally by creating or enhancing dilatational sites. Areas along the strike of the major shear zones as well as fault intersections are key potential target areas for future exploration.

In August 2020, a National Instrument 43-101 technical report was prepared based on the compilation of all historical geological, geochemical and geophysical data into GIS referenced layers needed for methodical and diligent well-vectored exploration. The structural complexity of the Property and its relation to the known metal occurrences was interpreted and addressed by a competent structural geologist. The high-resolution heliborne magnetic survey discussed above aided greatly in this structural interpretation and has identified new areas that need to be investigated further by prospecting, sampling and mapping.

The technical report recommends a Phase 1 exploration program summarized below:

1. The FTM Zone (traced for 500 m) now appears to be associated with a fold axis proximal or along a felsic intrusive. This brittle environment crosscut by north northeast structures can provide important traps and pathways for mineralization and thus presents a horizon as a target with high merit.
2. Probable ultra-mafic bodies were better defined by the airborne magnetic survey and associated cross-cutting structural features make these lithologies conducive for possible re-mobilized Cu-Ni mineralization. Structurally damaged ultra-mafic bodies in the Uchi Subprovince are also important hosts for gold mineralization.
3. The extent of volcanic assemblages and possible F2 fold axes in the Scanes Pluton not previously mapped or recognized is also a target of high merit for gold, Ni-Cu- PGE or even VMS-type mineralization.
4. Gold mineralization associated at the Fly Zone in a sericite-amphibole schist in contact with an iron formation and associated structure is another target of high merit. Crosscutting structural features should be investigated for sulphidation of magnetite, grunerite (amphibole) alteration and shear related quartz veining as a banded iron formation hosted gold deposit model.
5. Structures hosting polymetallic mineralization whether in volcanic packages or within syndeformational felsic rocks such as the North Bamaji Pluton on the western side of the property should be investigated for a possible Archean-related Au-(Cu) porphyry model deposit.

The complete report, entitled *NI 43-101 Technical Report: Slate Falls Property* and dated August 7, 2020, is available on [SEDAR](#).

The technical information relating to the fieldwork was reviewed and approved by Mike Kilbourne, P. Geo, an independent qualified person as defined in National Instrument 43-101.

West Madsen Gold Project

In May 2019, the Company entered into a definitive agreement for the option of the West Madsen Gold Project. The West Madsen Gold Project comprises 229 cell mining claims in two contiguous claim blocks – Blocks A and B – each roughly six kilometres by three kilometres in size for a total area of 3,860 hectares. It is a newly identified geological continuity of the greenstone belt within

the Balmer and Confederation assemblages. Block A is contiguous with Pure Gold's Madsen Project, which is host to the historical Madsen and Starratt Olsen gold mines; and where Pure Gold recently completed a Feasibility Study on the Madsen deposit and a Preliminary Economic Assessment on the Fork, Russett South and Wedge deposits.

In July 2020, the Company entered into an option agreement with Bounty Gold Corp. to acquire a 100% interest in the Flat Lake and the Madsen-Medicine Stone claim groups that adjoin Block A of the West Madsen Property. Specifically, the southern boundary of the 692-hectare Flat Lake Claim Group adjoins the West Madsen – Block A, while the eastern claim boundary adjoins the Pure Gold Red Lake Mine property. Notably, Pure Gold's Russett South deposit and Wedge zone lie approximately 400 metres northeast and 300 metres southeast, respectively, of the Flat Lake eastern claim boundary. The north, west and southern claim boundaries of the 170-hectare Madsen-Medicine Stone Claim Group adjoin West Madsen - Block A, while the eastern claim boundary adjoins Pure Gold's property within 1 km of their Wedge zone.

Under the terms of the option agreement, GoldON can acquire a 100% interest in the Flat Lake and Madsen-Medicine Stone claim groups by paying Bounty \$80,000 over two years and issuing 250,000 shares over one year. Bounty will retain a 2% net smelter returns royalty of which GoldON may purchase half for \$1,000,000.

2019 Phase I Exploration

GoldON's 2019 fieldwork on the West Madsen property began with a property-scale, grassroots prospecting survey and a 3-D Spatiotemporal Gas Hydrocarbon ("SGH") soil survey.

The West Madsen property is directly adjacent to Pure Gold's Madsen Property and is interpreted to host the extension of the Balmer Assemblage rocks of the Red Lake Greenstone Belt. This assemblage is host to Pure Gold's Madsen Red Lake Gold Mine with a historical production of 2.6 million ounces of gold and a current indicated resource of 2,063,000 ounces gold at 8.9 g/t gold (in 7.2 million tonnes) and an inferred resource of 467,000 ounces gold at 7.7 g/t gold (in 1.9 million tonnes) according to Pure Gold's July 5, 2019 National Instrument 43-101 technical report.

Prospecting and geological mapping on West Madsen Block A has identified two ultramafic boulders on the shoreline of an island in Tack Lake that are interpreted to be part of the Balmer Assemblage volcanic rocks. This ultramafic stratigraphy was not previously recognized on the 2004 regional Geological Survey of Canada Sanborn-Barrie et al geology map (GSC Open File 4594). The ultramafic boulders, measuring 1.0 by 1.5 metres, are sub-angular in nature and indicate that they are locally sourced. At the adjacent Madsen Project (6 km to the east) Pure Gold observed in their July 5, 2019 technical report, "Primary lithological control on gold distribution includes proximity to the contacts of an ultramafic unit within the upper several hundred metres of the Balmer Assemblage. Most gold mineralization is located within approximately 100 m of one of these ultramafic contacts, in rock characterized by strong to intense alteration."

Given the indication of potential key stratigraphy on the Property, select samples of mafic rocks sampled from outcrop, along with the ultramafic rocks, will be analyzed for Rare Earth Elements (REE) so that their geochemical normalized profiles can be compared to those of typical Balmer and Confederation assemblage rocks. The results for these REE follow-up samples are pending.

Prospecting Program

The prospecting survey collected a combined 218 rock grab samples from West Madsen Block A and Block B, with the majority of samples collected from outcrop (see Figure 1).

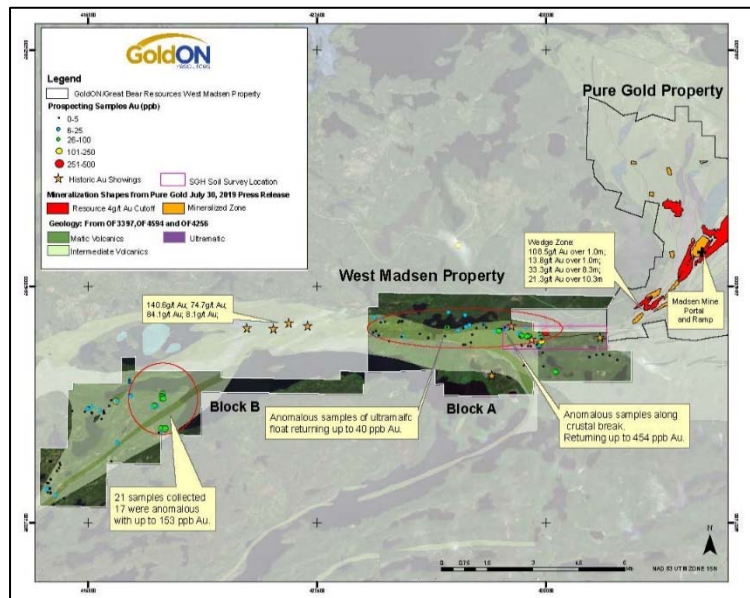


Figure 1: Prospecting and soil survey locations for the West Madsen Property

On Block A, the results returned broad, low-grade gold anomalies near the projected contact of the Balmer and Confederation Assemblages, including 1.25 g/t gold from a banded iron formation (see Figure 2). These results are located approximately 4 kilometres (km) west of Pure Gold's Wedge Zone. During the summer of 2019 Pure Gold commenced a 12,000-metre surface diamond drilling program at the Madsen Property which included surface diamond drilling at the Wedge Zone. Results from that program have expanded the Wedge deposit extent with several new bonanza grade gold intercepts including 108.5 g/t gold over 1.0 metres, 94.6 g/t gold over 1.0 metres and 13.8 g/t gold over 1.0 metres according to Pure Gold's July 30, 2019 news release.

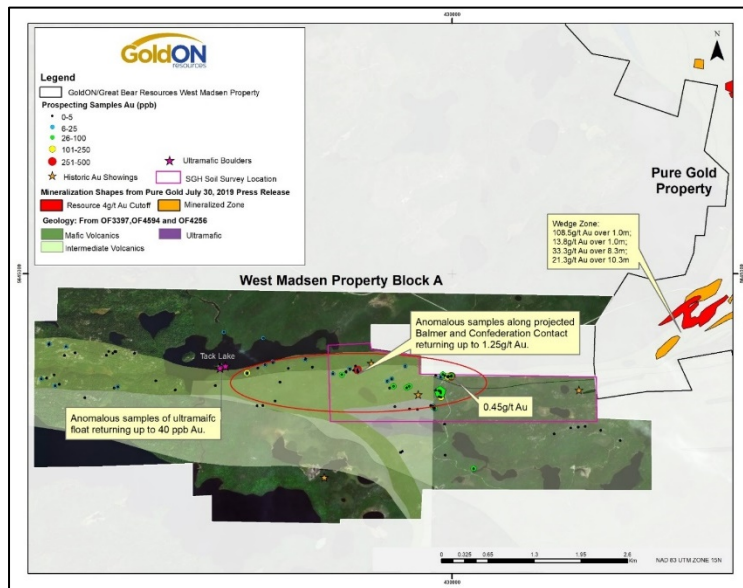


Figure 2: Anomalous gold along projected contact of Balmer and Confederation Assemblages with location of ultramafic boulders on Tack Lake.

Block B samples taken were primarily felsic-intermediate volcanic rocks with varying degrees of sulphide mineralization, quartz veining and alteration. Twenty-one samples were collected southwest of Lower Medicine Stone Lake with all but four returning anomalous results up to 153 ppb gold (see Figure 3).

SGH Soil Survey

A total of 451 soil samples were collected from Block A for a 3-D Spatiotemporal Geochemical Hydrocarbon (SGH) soil survey. The survey results identified a potential redox cell with three associated areas for potential gold mineralization (see Figure 4).

SGH is a versatile geochemical exploration technique offered by Activation Laboratories Ltd. that is optimal for areas which may not have a well-developed soil horizon. This analytical technique does not directly test for gold mineralization but analyzes for the hydrocarbons that are released by bacteria which feed on the inorganic compounds that are strongly associated with mineralization. The hydrocarbons, which are specific to the targeted commodity, are released at depth and then present themselves in a variety of surficial materials.

GoldON's option partner, Great Bear Resources, completed a 145 sample SGH survey in 2019 at their Dixie Project. This survey was successful in identifying the known high-grade mineralization of the Hinge and Limb Zones. After the success of that survey, Great Bear added an additional 2,100 sample SGH soil survey over the Bear-Rimini discovery area according to their August 1, 2019 news release.

Independent analysis of the SGH survey results on Block A provided by Activation Laboratories Ltd. (Report dated August 7, 2019) contained the following highlights:

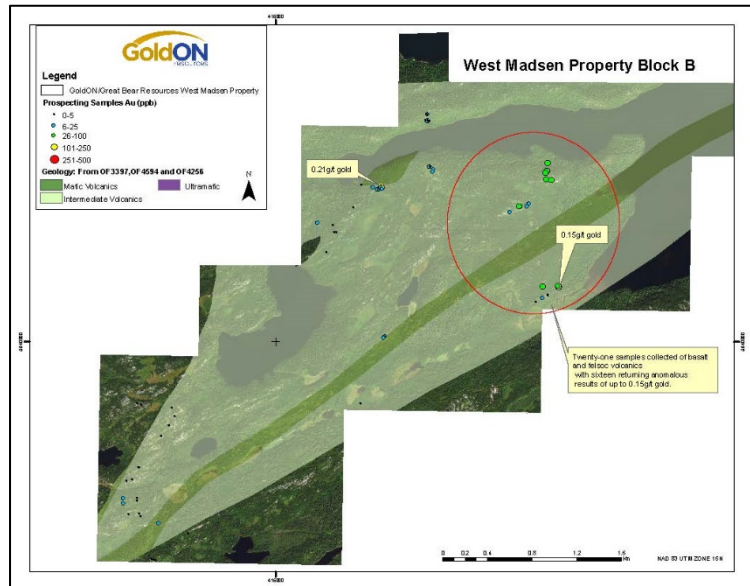


Figure 3: Prospecting samples from Block B. Circle highlights an area with relatively little exploration but majority of samples taken were anomalous for gold.

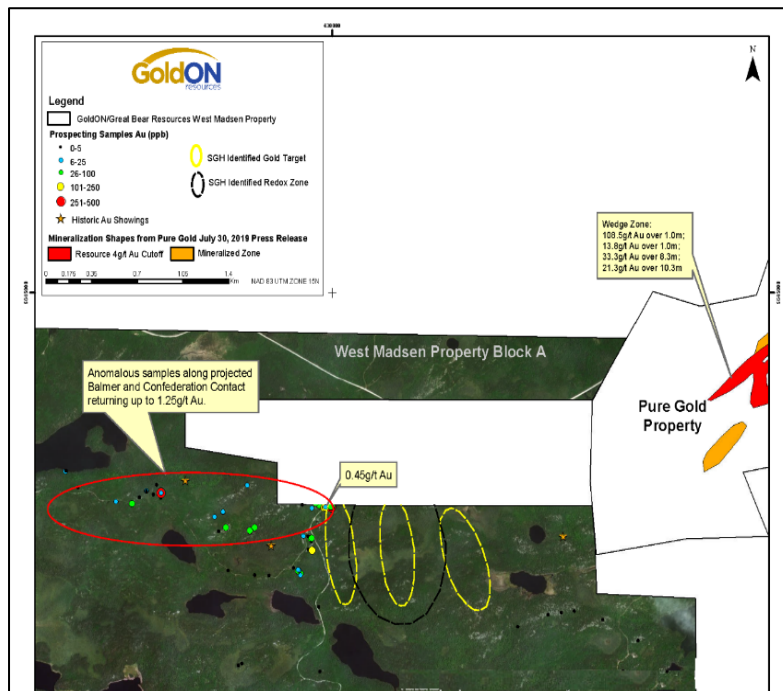


Figure 4: SGH survey on Block A with Actlabs interpreted redox zone and potential gold targets

- Figure 4 shows the anomalies from the most reliable SGH Pathfinder Class in predicting the presence of gold mineralization. This map shows the anomalies in the central portion of the survey at the center and outer rim of a possible redox zone. Mineralization might exist at these locations as a vertical projection beneath these anomalies.
- Interpretation of the SGH data (see Figure 4) relative to the presence of gold mineralization at the GoldON survey area may be based on what may appear to be the presence of a Redox Zone. Based also on the makeup of the SGH signatures, these Redox Zones may be associated with the

possible presence of gold mineralization.

Figure 5 displays the SGH survey targets overlain on a geophysical magnetic survey of the area. The interpreted magnetic breaks and disruptions of the stratigraphic and structural trends correlate well with the identified SGH gold targets and redox zone. These target areas appear to be on trend from the mineralized areas on the adjacent Pure Gold property.

The 2019 West Madsen Property summer field program was successful in identifying potential ultramafic rocks of Balmer stratigraphy, extending anomalous gold mineralization along the projected contact between the Balmer and Confederation Assemblages and recognizing a relatively new area of anomalous gold for Block B.

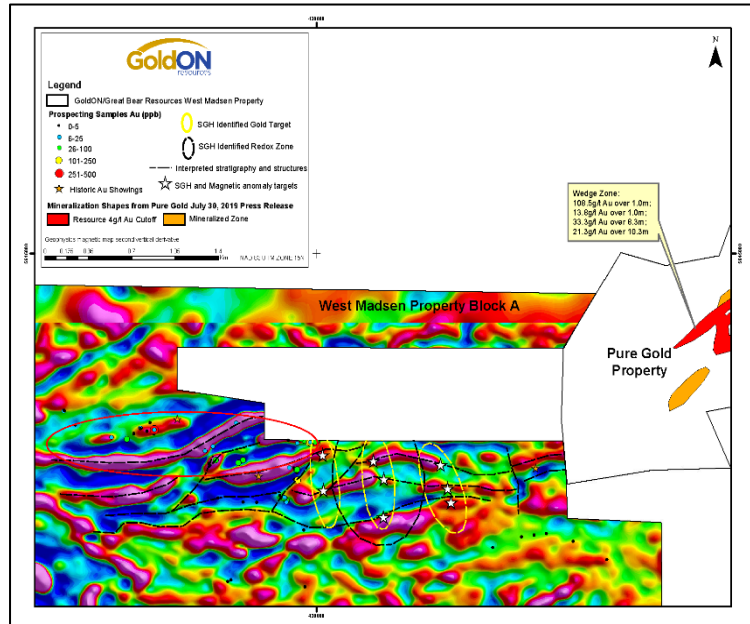


Figure 5: SGH survey on Block A with Actlabs interpreted redox zone and potential gold targets

2019 Phase II Exploration

During the fall of 2019, GoldON mobilized Rimini Exploration & Consulting crews to complete a Phase II prospecting and geological mapping program on the West Madsen Property to follow up on the Phase I soil-gas-hydrocarbon (SGH) survey anomalies identified earlier in the year. In conjunction with this prospecting program, the SGH survey was expanded to the west to test the projected extension of the contact of the Balmer and Confederation assemblages, a geological/structural contact that is similar to the adjacent Madsen property. Results from the extended SGH survey are pending and results from the prospecting program follow.

Phase II prospecting and geological mapping on West Madsen Block A was planned to investigate the hydrocarbon anomalies identified in ActLab's SGH survey interpretation. Work was focused on areas that were prospective for gold mineralization in the SGH report or were situated proximal to Pure Gold's Wedge target. A total of 28 grab samples were taken from outcrop and analyzed for gold and a multi-element suite (ICP-OES).

The samples returned gold values ranging from below detection to a high of 0.524 g/t gold (see Figure 6). Note: grab samples are selective by nature and may not be representative of the mineralization across the Property.

The 0.524 g/t gold sample was collected from a silicified felsic volcanic rock, with 5% disseminated pyrite. This area was not the highest potential gold-bearing zone identified from the Phase I SGH survey, however the rocks overlie an area of

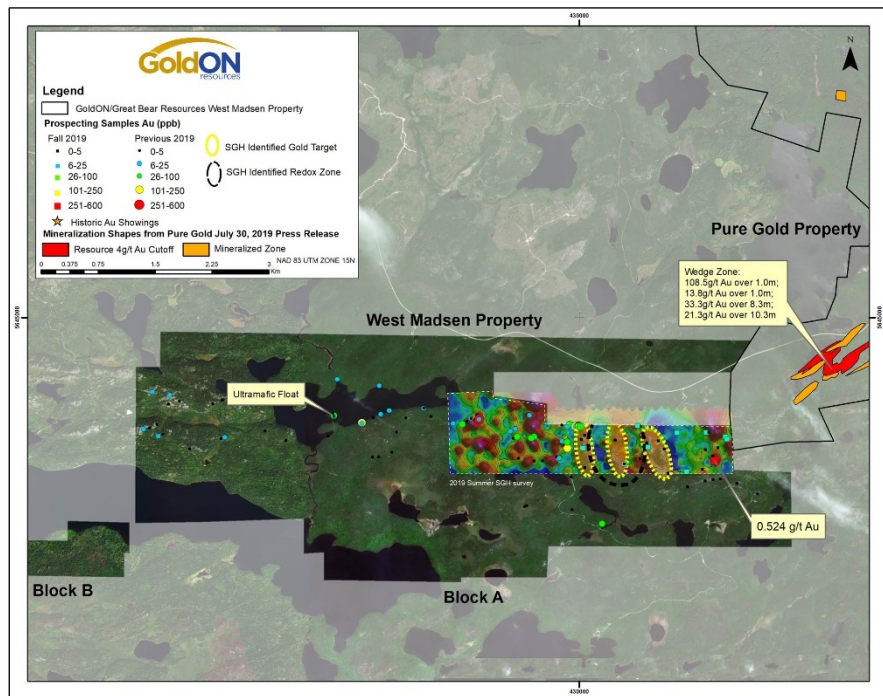


Figure 6: Fall 2019 sample location with Summer 2019 soil gas hydrocarbon survey

elevated hydrocarbon activity coincident with a geophysical magnetic high anomaly (see Figures 5 and 6). Felsic volcanic rocks with similar style mineralization are proven to host high- and low-grade gold mineralization at Great Bear Resources' Dixie Project and may represent a target not previously identified on the West Madsen property. Other samples collected consisted of felsic, intermediate and mafic volcanic rocks, with variable mineralization consisting of pyrite and rare chalcopyrite with malachite staining.

Prospective features that may warrant further work in the map area include "breaks" in magnetic highs that underlie the SGH identified gold-zones as well as the magnetic high which underlies the 0.524 g/t gold sample (see Figure 5).

Once the pending Phase II SGH survey results are received, GoldON will analyze the data to define the areas that may require drilling to further test these anomalies.

Samples from the program are sent for analysis to Activation Laboratories in Ontario, an accredited mineral analysis laboratory. All samples are analyzed for gold using 50g Fire Assay-AA finish. Samples returning over 5.0 g/t gold are re-analyzed utilizing 50g Fire Assay-Gravimetric finish. All Samples are also analyzed for 37 elements utilizing 4-acid (near total) digest ICP-OES (Inductively Coupled Plasma – Optical Emission Spectrometry). Certified gold reference standards and blanks are routinely inserted into the sample stream, as part of the Company's quality control/quality assurance program (QA/QC). No QA/QC issues were noted with the results reported herein.

R. Bob Singh, P. Geo, an independent qualified person as defined in National Instrument 43-101, reviewed and approved the above technical contents on behalf of the Company.

2020 Drilling Program

In June 2020, the Company completed a drilling program at the West Madsen gold property that tested targets trending east-west that run sub-parallel to magnetic lineaments on Block A of the Property within a larger structural corridor interpreted to be the major structural break between the Balmer and Confederation assemblages. This break is a significant geological and structural contact associated with known gold deposits on the adjacent Pure Gold property and the producing mines in the Red Lake Camp. Mineralization hosted on adjacent and/or nearby properties is not necessarily indicative of the mineralization hosted on the West Madsen property.

A total of seven drill holes (2,237.25 metres) were completed during this initial program. Drill hole WM-20-05 intersected 14.4 g/t gold over 0.5 metres hosted by strongly altered mafic volcanic rocks of Balmer Stratigraphy, with observed visible gold. The mineralization is characterized by a blue-grey quartz amphibole calcite vein, within an interval of highly strained mafic volcanic rocks, that are in contact with a package of ultramafic rocks. The observed mineralization is analogous to some of the mineralized intervals observed at the Pure Gold property.

This is the first time that the Balmer Assemblage has been identified in drill core on the Property and clearly defines a new prospective exploration corridor extending west from Pure Gold's Wedge Zone. Two holes (WM-20-05 and WM-20-06) tested this corridor with a nominal spacing of 500 metres between the collars and the Balmer stratigraphy was observed in both holes. Several other holes intersected elevated gold values, variably hosted within felsic volcanic rocks, and will be considered for future exploration targets. A summary of the assay results is as follows:

Hole	From (m)	To (m)	Gold (g/t)	Width (m)
WM-20-05	246.80	247.30	14.40	0.50
WM-20-05	334.00	335.00	0.69	1.00
WM-20-01	202.60	203.60	1.43	1.00
WM-20-03	220.00	221.00	0.57	1.00
WM-20-03	111.00	111.50	0.52	0.50

QA/QC and Core Sampling Protocols

Drill core was logged and sampled in a secure core storage facility located in Red Lake, Ontario. Core samples were cut in half, using a diamond cutting saw, and were analyzed at Activation Laboratories Ltd. (Actlabs) in Thunder Bay, ON. All samples are analyzed for gold using a standard 50g Fire Assay-AA technique. Samples returning over 10.0 g/t gold are analyzed utilizing standard 50g Fire Assay-Gravimetric methods. Certified gold reference standards and blanks were routinely inserted into the sample stream, as part of GoldON's quality control/quality assurance program (QAQC). No QAQC issues were noted during this program.

2020 Fieldwork

Fieldwork on the Company's new Flat Lake and the Madsen-Medicine Stone claim groups adjoining Block A of the West Madsen Property commenced in August 2020. The program includes prospecting, mapping and soil sampling to define and prioritize targets for phase II drilling on the expanded West Madsen project. Notably, Pure Gold's Russet South deposit and Wedge zone lie approximately 400 metres northeast and 300 metres southeast, respectively, from the Project's eastern claim boundary. Results will be published as they become available.

2020 Geophysical Interpretation

In October 2020, the Company received a geophysical interpretation report on the West Madsen Project. Paterson, Grant and Watson Limited ("PGW") was contracted to provide a detailed analysis and interpretation of a 50-metre line-spaced airborne magnetics survey, completed on the Block A and B claims in 2017 by Great Bear Resources.

The PGW report included a detailed lithological and structural interpretation of the property. In conjunction with the regional mapping, rock sampling, regional Soil-Gas-Hydrocarbon survey and the recent drilling program, the datasets present a compelling exploration target. Based on these datasets, and with the recent addition of the Madsen-Medicine Stone claim group, the prospective Balmer Assemblage/Confederation assemblage contact is interpreted to traverse across GoldON's property for approximately 8 kilometres. This prospective contact is a key target in the Red Lake Greenstone Belt and is spatially associated with most of the current and past producing gold mines. The PGW report is being combined with the data collected from field programs completed to date and a second drilling program is being designed to test several new targets across Block A of the West Madsen Property this autumn.

Ian Russell, P.Geo, an independent qualified person as defined in National Instrument 43-101, reviewed and approved the technical contents relating to the 2020 exploration on behalf of the Company.

Red Lake Properties

In June 2019, the Company entered into an option agreement to purchase three properties comprising 150 cell mining claims covering 1,938 hectares in the Red Lake Mining District of northwestern Ontario.

Pipestone Bay Claim Group

The Pipestone Bay claim group comprises 36 full and partial cells covering 791 hectares within the Red Lake Greenstone Belt and is located 32 kilometres west of the town of Red Lake.

The Pipestone Bay area has been explored since the early 1920s and the area south-southeast of the property is host to numerous Ontario Geological Survey mineral occurrences that largely consist of high-grade gold within sulphidized, sheared and quartz-veined iron formation.

Located within the property is the 991 Zone, a deformation zone that extends for over 5 kilometres across the property. Discovered by Redstar Gold in 2004, the 991 Zone is a 200-metre wide alteration zone within a felsic stratigraphic horizon hosting high-grade gold veins proximal to a folded ultramafic horizon. Drilling intersected anomalous gold and copper values within the deformation zone which appears to contain a D2 structure, an important structural fold-axis catalyst to gold mineralization in the Red Lake Camp. Follow-up drilling was recommended at more optimal directions but was never performed.

Topography of the claim group is relatively flat with local areas of relief with outcrop exposure approximately 10%. Access is excellent via MacIntosh Road.

The Company completed a heliborne high-resolution magnetometer (MAG) survey in 2020 to cover the Property and in August 2020, Orix Geoscience completed a geological data compilation and reinterpretation study. The Property has many similar geological characteristics that make the Red Lake Greenstone Belt such a prolific gold camp. These include deformation zones, thrust faults, folded iron formation, Balmer Assemblage ultra-mafic lithologies, an unconformity,

alteration (potassic, silicic, carbonate), high-grade gold veins and disseminated copper mineralization.

The results of the Orix study are a greater understanding of the geological and structural framework of the Property as summarized below:

1. A wide zone of low magnetic intensity occurs at the contact of mafic-ultramafic units with northern felsic intrusive rocks is the western continuation of the Pipestone Bay – St. Paul Bay Deformation Zone with possible dextral shearing.
2. Two phases of deformation (D1 and D2) are identified in the surface reinterpretation causing F1 and F2 folds.
3. Late faults and shear zones dominantly strike north-northwest and north-northeast, crosscut and locally displace the early structures.
4. The 991 Showing is possibly controlled by an early E-W structure that is likely a second-order structure to the Pipestone Bay – St Paul Bay Deformation Zone.
5. Other notable mineralization occurs in iron formation units or proximal to fault intersections.

The Property's primary target is the 991 Zone which consists of narrow pyrite, chalcopyrite bearing quartz veins within a brecciated felsic volcanic unit in contact with a folded ultra-mafic horizon. Past work on the Property by Redstar Gold Corp. confirmed visible gold occurs in several veins with grab samples yielding 22.27 grams per tonne (g/t) Au. In 2004, Redstar drilled a single hole (RGC-004) that was collared into an ultramafic unit north of the 991 Zone and drilled to the south. The hole intersected a 200-metre-wide zone of strongly quartz and sericite altered felsic stratigraphy with pyrite and chalcopyrite stringer mineralization and anomalous (>100 ppb) gold values.

Sampling completed on the 991 Zone by GoldON in May 2020 confirmed high-grade gold mineralization with seven grab samples ranging in value from 0.006 g/t Au to 44.9 g/t Au. Grab samples are selected samples and are not necessarily representative of the mineralization hosted on the property. Two high-priority diamond drill holes have been recommended by Orix to target the 991 Zone mineralization and related structure. GoldON has received exploration and drilling permits for the Property.

QA/QC Protocol

Rock grab samples were personally collected by Bruce MacLachlan, P.Geo. (Limited), secured with zip ties and remained in his custody until personally delivered to ALS Laboratories (ALS) in Timmins, Ontario for sample preparation. Analyses was performed at ALS in Vancouver, BC. Primary analytical methods by ALS for Au was Au-AA23, a 30-gram Fire Assay with an ICP-OES finish. Over-limits for Au beyond 10 ppm were then analyzed using method Au-GRA21, a lead fusion fire assay method with a gravimetric finish. ALS practices stringent Quality Control Protocols with the insertion for exploration and ore grade samples which includes sample reduction blanks and duplicates, method blanks, weighted pulp replicates and reference materials. There were no QA/QC failures in the above sample batch. Grab samples are selected samples and not necessarily representative of the mineralization hosted on the property.

McDonough Claim Group

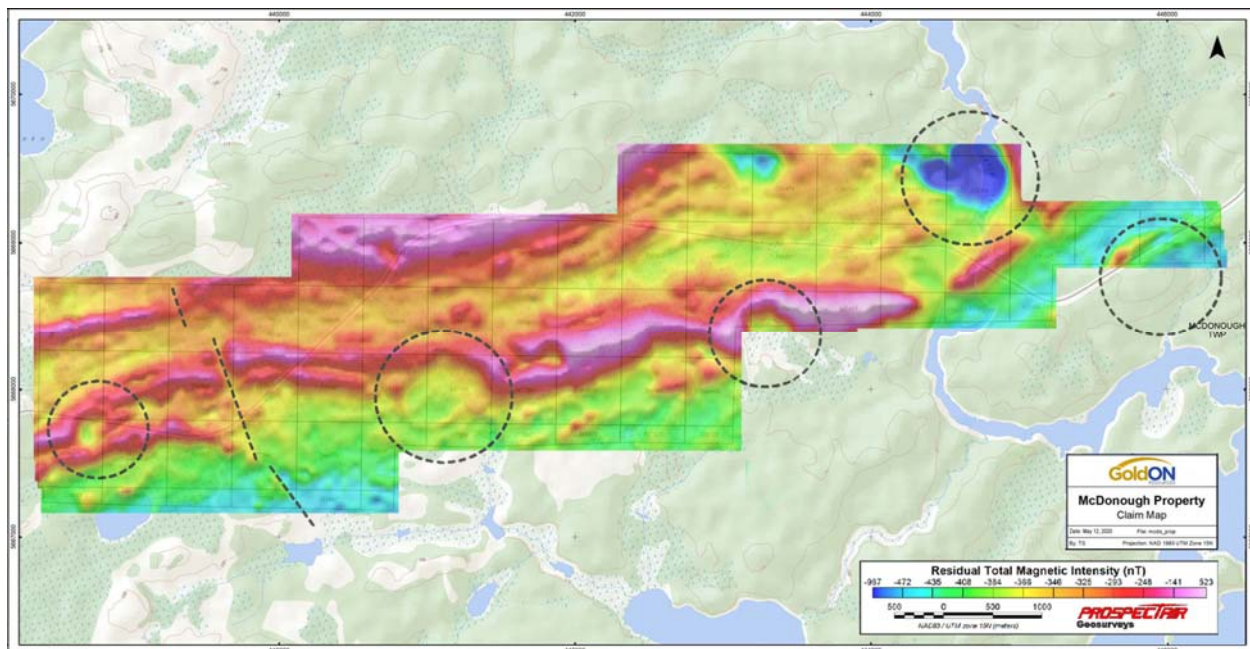
The McDonough claim group comprises 69 full and partial cells covering 1,062 hectares within the Red Lake Greenstone Belt. The claim group is located 15 kilometres north of the town of Red Lake and is contiguous with Rubicon Minerals' Slate Bay gold property.

The property straddles a regional unconformity, a key structural signature of many mines within the Red Lake Greenstone Belt. Regional interpretational mapping by the Ontario Geological Survey returned metasediments and felsic volcanics; however, a limited four-hole drilling program by Pure Gold Resources in 1987 intersected a variable stratigraphic horizon including strongly altered (biotite, silica and carbonate) felsic tuffs, gabbro, mafic volcanics, chert iron formation and feldspar porphyry. Despite hosting ample exploration targets and several geological characteristics typical of Red Lake gold deposits and other deposits in the Uchi Subprovince, there has been limited exploration on the property.

Topography of the property is relatively flat with outcrop exposure less than 10%. Much of the area has been logged over the last 15 years leaving a network of trails with excellent access via Pine Ridge Road.

2020 Geophysical Program

In May 2020, the Company completed a property-wide airborne magnetometer (MAG) survey on the McDonough property. The heliborne high-resolution MAG survey included 50-meter flight line spacings for a total of 550-line kilometres to cover the property. Preliminary data from the MAG survey shows several interesting circular magnetic features as well as a clear fault that cuts through the mag signal.



The Company's next steps will include the completion of additional soil sampling grids to follow up on encouraging results received in 2019 as well as prospecting the new areas of interest identified from the MAG survey. Recent logging on the claims has provided even greater access to some of the key portions of the claim block.

In September 2020, Orix Geoscience completed a geological data compilation and reinterpretation study on the McDonough property incorporating the 2020 MAG survey data with all known lithological and mineralogical information and structural measurements. The result of the Orix study is a far better understanding of the geological and structural framework of the Property.

Results of the data compilation and reinterpretation study are as follows:

1. Good correlation of anomalous soil samples up to 253 ppb along the contact of an iron formation clast dominated conglomerate and intermediate to felsic volcanic suite at the intersection of north-northeast (NNE) and north-northwest (NNW) structures.
2. Two phases of deformation (D1 and D2) are identified in the surface reinterpretation causing F1 and F2 folds.
3. Late faults and shear zones dominantly strike NNW and NNE, crosscut and locally displace the early structures.
4. The presence of iron formation which has been broadly locally folded and displaced by late structure.
5. A wider range in lithological types and greater definition of contacts.

A primary target area has now been identified within the Property where elevated soil samples overlay the contact between an iron-formation clast dominated conglomerate (Huston Assemblage) and intermediate to felsic volcanics at northeast and northwest intersecting structures. The Huston Assemblage has been compared to the Timiskaming conglomerates commonly associated with gold in the Timmins camp of the Abitibi greenstone belt (Dube et al, 2003). The structural environment is key to forming pathways for gold-bearing hydrothermal fluids and the iron contained in the clasts should provide chemistry to precipitate gold-bearing sulphides. The presence of iron formation that has been structurally disrupted also provides a target of merit as an Archean-hosted iron formation gold hosted deposit model similar to the Musselwhite, Pickle Crow and Beardmore-Geraldton gold camps that are also located in Ontario.

Reconnaissance soil sampling completed by GoldON in 2019 and 2020 on the Property ranged in values from 1-253 ppb Au.

Mike Kilbourne, P. Geo., an independent qualified person as defined in National Instrument 43-101, has reviewed and approved the technical contents herein on behalf of the Company.

Bruce Lake Property

In March 2019, the Company entered into an option to purchase the Bruce Lake Property, which consists of 152 cell mining claims covering approximately 3,103 hectares in an underexplored area of the Uchi Greenstone Belt.

The Bruce Lake Property adjoins BTU Metals' ("BTU") Dixie Halo property, where they are actively drilling a potentially new volcanogenic massive sulphide (VMS) system called the TNT Target Cu-Au-Ag discovery. The Property is also approximately 11 kilometres (km) southeast of the multiple high-grade gold discoveries Great Bear Resources has made to date on its Dixie property, and shares its southern boundary with Great Bear's Pakwash property. Ontario provincial Highway 105 runs through the Property providing excellent access to and from infrastructure with the town of Red Lake located approximately 36 km northwest.

Geologically, the Property appears to host the same lithologies encountered in the drill program ongoing by BTU. Rock types intersected in their drilling to date include highly altered and bleached basalt, rhyodacite tuffs and flows as well as felsic and mafic intrusive bodies. According to the Ontario Geological Survey regional map in this area, similar rock types can be expected to be beneath the extensive overburden cover on the Bruce Lake Property.

2019 Field Work

The Company's 2019 exploration program on the Bruce Lake property consisted of prospecting by boat on the shores of Pakwash Lake and on claims east of Pakwash Lake and west of Bruce Lake where historical gold in MMI soil anomalies were discovered by Laurentian Goldfields Ltd. in 2010.

The program resulted in the discovery of a new gold showing located on the west shore of Pakwash Lake, hosted in what appears to be sheared and silicified diorite and trending approximately 020 degrees with a moderate dip to the east. Twelve samples of bedrock or subcrop were collected along a strike length of approximately 75 meters with sample assays results ranging from nil to several returning above background gold up to 361 ppb, as well as up to 8199 ppm lead and up to 1616 ppm zinc. This discovery is particularly significant given the widespread lake sediment gold anomalies discovered by Laurentian Goldfields Ltd. from 2010 to 2012 in Pakwash Lake, part of which is underlain by a large diorite pluton.

2020 Field Work

The Company has received an exploration permit for its Bruce Lake property. The permit is in place until February 2023 and covers mechanized stripping, line cutting, ground geophysical surveys and diamond drilling.

Michael Kilbourne, P.Geo., an independent Qualified Person as defined in National Instrument 43-101, has reviewed and approved the technical contents herein.

Outstanding Share Data

As of the date hereof, the Company has 18,918,432 common shares issued and outstanding.

Also as of the date hereof, the Company has outstanding warrants to purchase up to 4,016,950 shares. Of this total, 1,815,000 warrants may be exercised at a price of \$0.20 per share until March 11, 2021, 827,500 warrants may be exercised at \$1.00 per share until September 27, 2021, 35,850 warrants may be exercised at \$0.65 per share until September 27, 2021, 200,000 warrants may be exercised at \$1.00 per share until October 3, 2021, 12,000 warrants may be exercised at \$0.50 per share until October 3, 2021, 69,000 warrants may be exercised at \$1.00 per share until February 19, 2022, 1,000,000 warrants may be exercised at \$0.75 per share until September 24, 2022, and 57,600 warrants may be exercised at \$0.50 per share until September 24, 2022.

In addition, the Company has options outstanding which may be exercised to purchase a total of 2,630,000 shares. Of this total, 585,000 options may be exercised at \$0.15 per share until May 2, 2021, 570,000 options may be exercised at \$0.20 per share until February 21, 2024, 200,000 options may be exercised at \$0.65 per share until July 29, 2024, 100,000 options may be exercised at \$0.41 per share until November 8, 2024, and 1,175,000 options may be exercised at \$0.60 per share until November 24, 2024.

Transactions with Related Parties

During its 2020 financial year, the Company paid the following fees in respect of the management and administration of the Company:

- a) \$48,000 to the Company's Chief Executive Officer,
- b) \$9,000 to the Company's Chief Financial Officer,
- c) \$30,024 to the Company's Chief Compliance Officer, and

d) \$21,000 to the Company's Secretary.

Changes in Accounting Policies Including Initial Adoption

The following standard was adopted by the Company effective July 1, 2019, but had no material impact on the financial statements:

IFRS 16 – Leases

IFRS 16 is a new standard that sets out the principles for recognition, measurement, presentation and disclosure of leases, including guidance for both parties to a contract, the lessee and the lessor. The new standard eliminates the classification of leases as either operating or finance leases as was required by IAS 17 – Leases and, instead, introduces a single lessee accounting model.

Financial Instruments and Other Instruments

The fair value of the Company's cash, reclamation deposits, accounts payable and accrued liabilities, and amounts due to related parties approximate their carrying value due to the short-term nature of these instruments unless otherwise noted. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

The Company monitors and manages the risks relating to its financial instruments through analysis of exposures by degree and magnitude of risks. These risks include credit risk, market risk and liquidity risk.

Credit risk

Credit risk refers to the risk that another entity will default on its contractual obligations resulting in financial loss to the Company. As of June 30, 2020, such contractual obligations comprised cash held with high creditworthy financial institutions in the amount of \$941,578 and deposits with or pledged to the Province of British Columbia in the amount of \$9,248. Management considers this risk to be negligible.

Market risk

Market risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market prices. Management considers this risk to be negligible.

Liquidity risk

Liquidity risk refers to the risk that the Company will not be able to meet its financial obligations when they become due or can only do so at excessive cost. As of June 30, 2020, the Company had working capital of \$707,900. Management anticipates that the Company will be able to meet its obligations as they become due.

Other Information

Additional information relating to the Company is available from the Company's website at www.GoldONResources.com and on SEDAR at www.sedar.com.

ON BEHALF OF THE BOARD

Signed "Michael Romanik"
Michael Romanik, President