



DELTA RESOURCES LIMITED
(an exploration company)

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three and nine months period ended September 30, 2020 and 2019

INTRODUCTION

This Management's Discussion and Analysis ("MD&A") of results of operations and financial condition of Delta Resources Limited (formerly Golden Hope Mines Limited) ("Delta" or "the Company") describes the operating and financial results of the Company for the three and nine months period ended September 30, 2020 and 2019. Therefore, this discussion and analysis should be read in conjunction with the unaudited condensed interim financial statements as at September 30, 2020 and notes thereto, as well as the audited consolidated financial statements and notes thereto and the MD&A for the year ended December 31, 2019.

Forward-Looking Statements

This MD&A contains forward-looking statements about the Company's future prospects, and the Company provides no assurance that actual results will meet such expectations of management. The use of any of the words "believe", "expect", "estimate", "will", "should", "intend" and similar expressions are intended to identify forward-looking statements. 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 these 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 should not be unduly relied upon. The forward-looking information contained in this MD&A represents our expectations as of the date of this MD&A and, accordingly, is subject to change after such date. We expressly disclaim any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable law.

Date of MD&A

This MD&A was prepared using information that is current as at November 27, 2020, unless otherwise stated.

Company Overview

Delta Resources Limited is focused on growing shareholder value through the acquisition, exploration, and development of potential gold and base metal projects in Canada. Currently, Delta has three exploration projects: the Eureka project ("Delta-1") in the Thunder Bay district of Ontario, the R-14 project ("Delta-2") in the Chibougamau Mining district of Quebec and the Bellechasse-Timmins project located in the Beauce Region of Southeastern Quebec. All projects are located in Canada.

Summary Highlights 2020 to Date

In January 2020, Delta has retained MI3 Communications Financières Inc. ("MI3") to provide communication services on behalf of the Company in Eastern Canada. These services include, but are not limited to, communication of all news releases and information on the Company, including technical notes, posting on social medias, and assisting the Company at PR virtual roadshows across 14 cities in eastern Canada. The agreement is for a period of 12 months and as consideration for these services, the Company has agreed to pay \$36,000 to MI3 in a single payment.

Also, in January 2020, Delta applied for an exploration permit at the Delta-1 property (which includes 20,000 metres of drilling) to resume work at the property in the short term. The Company was notified by the Ontario Ministry of Energy, Northern Development and Mines, to expect delays in the issuance of these permits due to COVID-19. The permitting delays does not, however, affect Delta's ability to carry out field work in the summer of 2020.

Delta completed a 549 line-kilometre VTEM survey in February 2020 and an additional 722 line kilometre high-resolution drone magnetic survey in March, 2020 at its Delta-2 project, Chibougamau, Quebec. Delta also acquired the data from recent VTEM and SpectrEM surveys that covered parts of the property and adjacent area, and merged the surveys for a complete coverage of the Delta-2 property. The data was interpreted and a minimum of 30 conductors were identified as potential targets for VMS deposits.

On May 7, 2020, the Company received an interest-free loan of \$40,000 under the Canada Emergency Business account program. The loan will mature on December 31, 2022. Repaying the balance of the loan on or before December 2022 will result in loan forgiveness of 25% (\$10,000).

On June 4, 2020, the Company announced that field work has started at its Delta-2 property in Chibougamau, Quebec. The objective of the field work is to field-proof Delta's new geological interpretation while following-up on new geophysical targets which stem from 220 square kilometres of new, high-resolution VTEM and drone-magnetic surveys in the property area. Drilling these anomalies is planned shortly after the field work is completed. A field crew of 10, including geologists and prospectors will be locating and proofing a minimum of 25 new conductors with excellent potential for volcanogenic massive sulphide ("VMS") mineralization similar to the Lemoine Mine which is located 1.5 kilometre north of the property. Between 1975 and 1983, the extraordinarily rich Lemoine Mine produced 757,585 tonnes of ore grading 9.52% Zn, 4.18% Cu, 4.56 g/t Au and 82.26 g/t Ag. In addition, the exploration crew will also be field-testing new syn-plutonic structures with potential for magmatic-hydrothermal gold mineralization.

On July 3, 2020, the Company has signed an agreement with Yorkton to sell its 100% interest in the Bellechasse-Timmins property in southeastern Quebec for \$1,700,000.

To acquire a 100% interest in the Property, Yorkton will:

- Make a \$100,000 cash payment within 10 days of signing of a definitive agreement (condition fulfilled),
- Make a \$250,000 cash payment within 90 days after receiving Exchange Approval (condition fulfilled),
- Make a \$350,000 cash payment within 200 days after receiving Exchange Approval,
- Make a \$450,000 cash payment no later than June 1, 2021; and
- Make a \$550,000 cash payment no later than September 1st, 2021.

Yorkton will also commit to pay Delta a 1% Net Smelter Return ("NSR") royalty on any and all commercial production derived from the Bellechasse-Timmins property. Yorkton may re-purchase 0.5% of the NSR for \$1 Million at any time.

A 6% finder's fee will be payable by Delta to an arm's length third party once the total amount of \$1,700,000 has been paid by Yorkton.

On July 9, 2020, Delta announced that it has started Phase II of its exploration program at its Delta-2 property in Chibougamau, Quebec. Phase II consists of mechanical trenching to expose bedrock to surface where it is possible and where initial field work has yielded encouraging results. Initial work in June 2020 focussed on field-proofing of conceptual gold targets and electro-magnetic conductors deemed to be excellent targets for VMS polymetallic mineralization.

On July 10, 2020, the Company granted 1,380,000 stock options to directors, officers and a consultant at an exercise price of \$0.26 per common share expiring July 11, 2025.

On July 17, 2020, the Company granted 100,000 stock options to a consultant at an exercise price of \$0.40 per common share expiring July 11, 2021.

On July 28, 2020, Delta announced initial results from a rock sampling program at the Snowfall Gold Discovery.

On August 18, 2020, the Company held its 2020 Annual General and Special Meeting by teleconference. The following individuals were elected as the directors of the Company: Frank Candido, Andre C. Tessier, Roy Millington and Kevin B. Heather. The shareholders appointed KPMG as auditors of the Company, re-approved the Company's stock option plan and approved the termination of the Shareholder Rights Plan.

On August 18, 2020, the Company report that its ongoing mechanical trenching program at the Delta-2 property in Chibougamau, Quebec has uncovered a sulphide-bearing horizon favourable for the presence of VMS mineralization. The favourable horizon coincides with a string of isolated VTEM conductors that represent VMS targets. The target horizon is characterized by the presence of felsic tuffaceous sediments, sulphide-bearing chert, sulphidic iron formation and volcanic rocks of rhyolitic affinity believed to represent a pause in the volcanic sequence. Sulphide mineralization is typically dominated by pyrite and pyrrhotite with chalcopyrite and sphalerite in minor amounts (1-5%). No graphite has been observed on the conductive horizon, ruling out a graphitic source for the VTEM conductors. To date, this favourable horizon can be followed for over five kilometres along strike.

On August 24, 2020, Sara Paquet was appointed Director of Company and was granted 200,000 stock options at an exercise price of \$0.40 per common share expiring August 24, 2025.

On September 30, 2020, Delta completed a non-brokered private placement by issuing 4,453,569 units of the Company at a price of \$0.35 per unit, for gross proceeds of \$1,558,749. Each unit consists of one common share and one-half of a common share purchase warrant exercisable for up to 24 months from closing at \$0.50.

Subsequent events

On October 2, 2020, Delta fulfilled its first-year requirements and renewed its option agreement for year-two at the Delta-1 property in Thunder Bay, Ontario.

On October 14, 2020, Delta received a \$250,000 cash payment from Yorkton Ventures as a second tranche for the sale of its Bellechasse-Timmins Gold Deposit in southeastern Quebec, Canada.

On October 23, 2020, Delta fulfilled its first-year requirements and renewed its option agreement for year-two at the Delta-2 property in Chibougamau, Quebec.

Also, in October 2020, the Company received \$26,595 in tax credit.

On November 1st, 2020, Delta started a 5,000 metre drilling program at the Delta-2 property in Chibougamau, Quebec.

DISCUSSION OF OPERATIONS

DELTA-1 / EUREKA PROPERTY

On October 2, 2019 the Company signed an exclusive agreement to acquire a 100% interest in the new Eureka gold Discovery in the Thunder Bay Mining District of Ontario. The property covers 48 square kilometres and is located 50 kilometres west of the city of Thunder Bay, Ontario and straddling the Trans-Canada Highway.

Under this agreement, the Company paid \$25,000 in cash and issued 500,000 common shares. To fulfill its obligation, the Company will have the following schedule of work:

Anniversary Date	Cash Payment	Share Payment	Work Commitment
12 months	\$25,000 (already paid)	500,000 (already issued)	\$200,000 (condition fulfilled)
24 months	\$50,000	\$50,000*	\$500,000
36 months	\$75,000	\$50,000*	\$1,000,000
48 months	\$150,000	n.a.	

*Amount payable in shares to a maximum of 500,000 shares

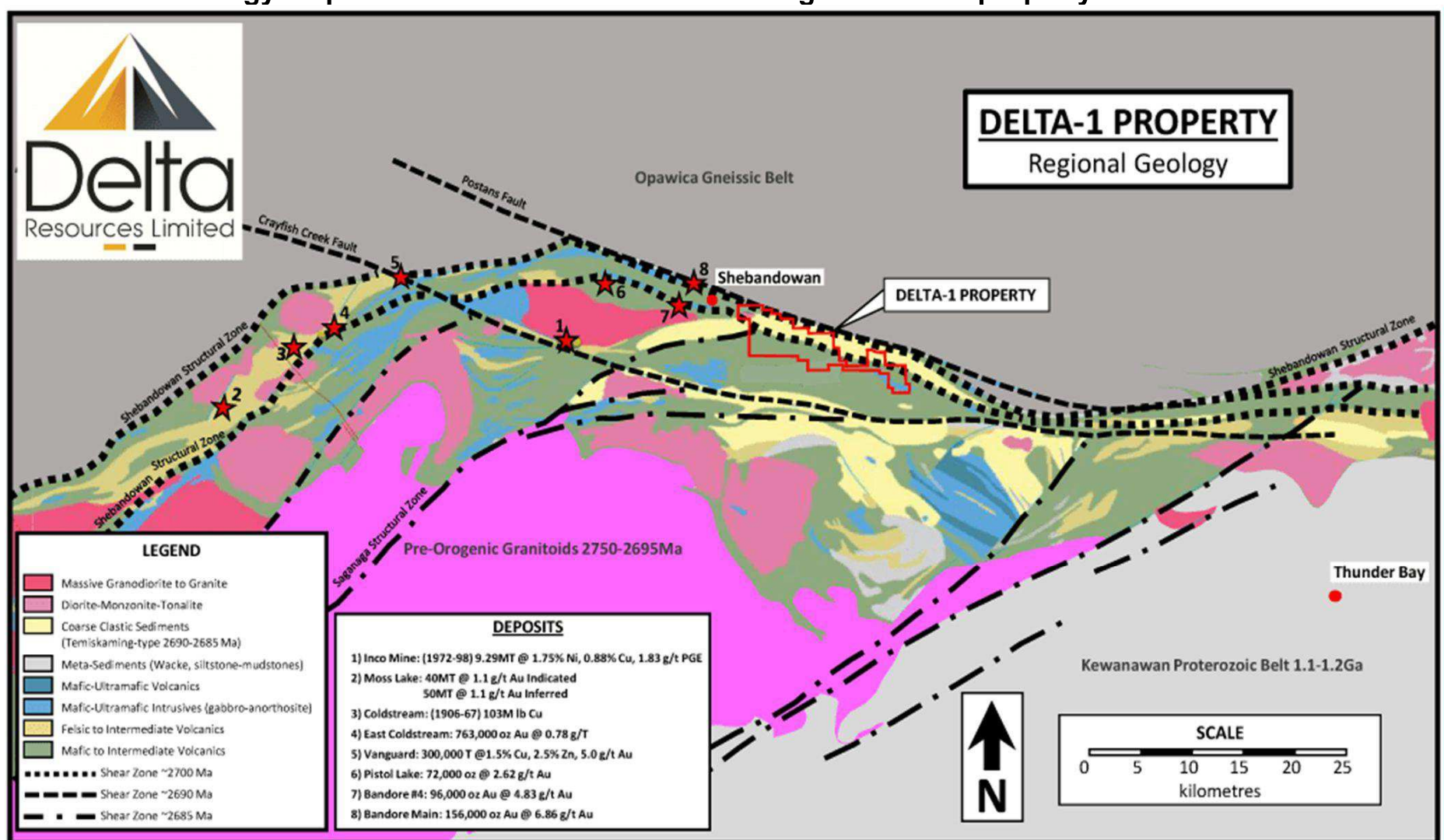
- The vendor holds a 1.75% NSR Royalty on the claims. Delta may buy back the first 0.75% at anytime for seven years after the effective date of the agreement for \$500,000 and the remaining 1% Royalty at anytime after the first 0.75% is purchased for \$4,000,000.
- Five legacy claims of the property are also subject to NSR Royalties ranging from 0.5% to 1% from an underlying agreement. Delta has the option to purchase 50% of this NSR for the sum of \$50,000.
- The agreement also includes advanced royalty payments starting 7 years after the effective date of the agreement.

Regional Geology

The project area lies in the north-central portion of the Shebandowan greenstone belt in the Superior structural province of the Canadian Shield. The volcanic-sedimentary units of this belt are bounded to the south by granitic terrain and to the north by the Quetico subprovince.

Two distinct supracrustal rock suites known as the Greenwater and Shebandowan assemblages have been identified within the Shebandowan Belt.

Geology map of the Shebandowan Belt showing the Delta-1 property outline in Red



The Greenwater assemblage (ca. 2720 Ma) is dominated by mafic to felsic metavolcanic rock cycles consisting of tholeiitic to calc-alkalic rocks, along with some komatiitic rocks. The younger Shebandowan assemblage (<2690 Ma) unconformably overlies the Greenwater assemblage and is dominated by clastic metasedimentary rocks, with subordinate calc-alkalic to alkalic intermediate metavolcanic rocks and intrusions. Sedimentary rocks of the Shebandowan assemblage were deposited in fault-bounded basins related to the Shebandowan and Saganaga Structural Zones during regional transpressive deformation at ca2690 Ma.

The clastic sedimentary rocks of the Shebandowan assemblage are often referred to as “Timiskaming-type” because of their similarity to the Timiskaming group rocks of the Abitibi greenstone belt.

In the Shebandowan Belt the unconformity between the Greenwater and Shebandowan assemblages has a close spatial association with numerous gold occurrences. In fact, the same spatial association between gold deposits and the unconformities between volcanics and Timiskaming-type sediments is common throughout the Shebandowan, Wawa and Abitibi belts.

Structural Features

The Shebandowan Structural Zone (ca2700Ma) is a deep-seated structure that marks the boundary between the Quetico and Shebandowan belts. The deformation zone is marked by swarms of intrusive units and locally extensive zones of intense carbonate, sericite and talc alteration and in excess of 5 million ounces of gold deposits along a 100-kilometre strike length eastward from the Moss Lake Deposit to the Delta-1 Property.

The Saganaga Structural Zone (ca2690Ma) is sinistral in sense and continental in scale striking over 200 kilometres from Minnesota northeastward through the Delta-1 Property area. Timiskaming-like pull apart basins mark the length of the structural zone with early alkaline volcanics and related intrusions dominating northeast basins. Important gold occurrences have been discovered along the entire strike length of the structure.

The Crayfish Creek and Posten's Faults are two late-stage (ca2685Ma) dextral sense structural zones.

Property Geology

In the property area, the Greenwater assemblage rocks generally occur to the south of highways 11. The rocks are generally mafic to intermediate metavolcanics (including massive and pillowed flows) with ultramafic flows (locally with spinifex textures). These metavolcanics flows are intercalated with thin horizons of graphitic mudstone, sulphide-bearing chert, jasper-magnetite, chert-magnetite iron formation all of which translate into high conductive zones. Numerous gabbro sills and dikes intrude the Greenwater assemblage supracrustal rocks throughout this area.

Shebandowan assemblage rocks are found in the area along and immediately to the north of highways 11. This assemblage is dominated by clastic metasedimentary rocks, including conglomerate, sandstone, siltstone and mudstone. These rocks are interlayered with distinctive trachyte and trachyandesite flows that commonly display a patchy red and green appearance and tend to be amphibole-phyric. These rocks are intruded by feldspar-phyric felsic to intermediate dikes, gabbroic intrusions and lamprophyre dikes.

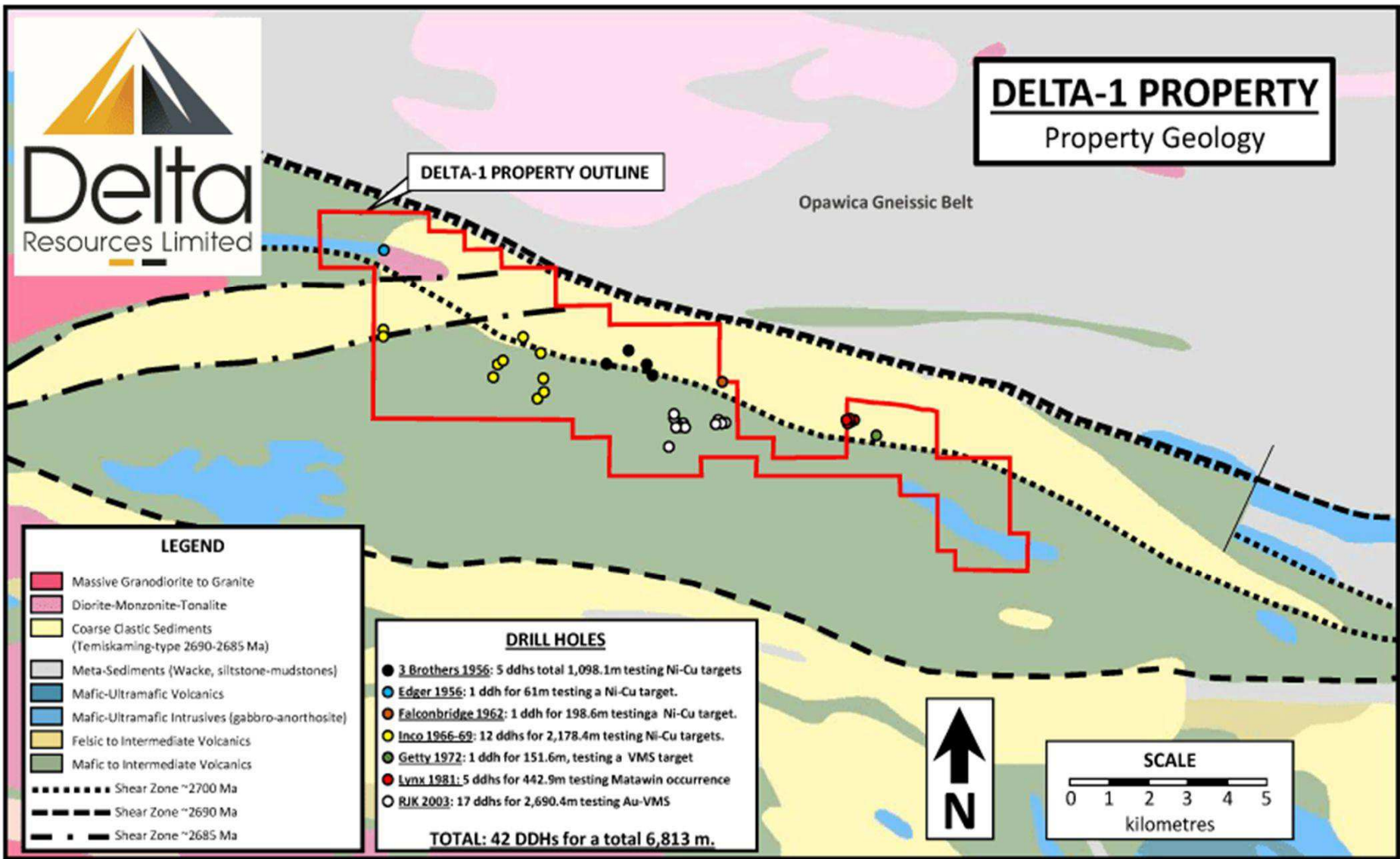
Foliation is well-developed and generally strikes east-southeast with near-vertical dip. The rocks have been deformed into tight isoclinal folds with east-southeast striking axial planes. Shear zones that parallel the regional foliation occur throughout the area and are especially well-developed along trends that coincide with the gold-mineralized zones on the Delta-1 property. Also associated with these shear zones are extensive zones of gold-bearing alteration consisting of intense ankerite-calcite and disseminated pyrite and arsenopyrite.

Structurally, the property is located at the intersection of the Shebandowan, Saganaga and Posten’s faults. The property covers a 17-kilometre strike extent of the favourable Shebandowan structural zone.

Exploration History

Only 42 drill holes have tested this 49 square kilometre property to date. Of these drill holes more than half were aimed at Ni-Cu targets prior to 1972. The last drill program was aimed at 2 mineral occurrences some 16 years ago in 2003.

Geology map of the Delta-1 property showing historical drill holes.

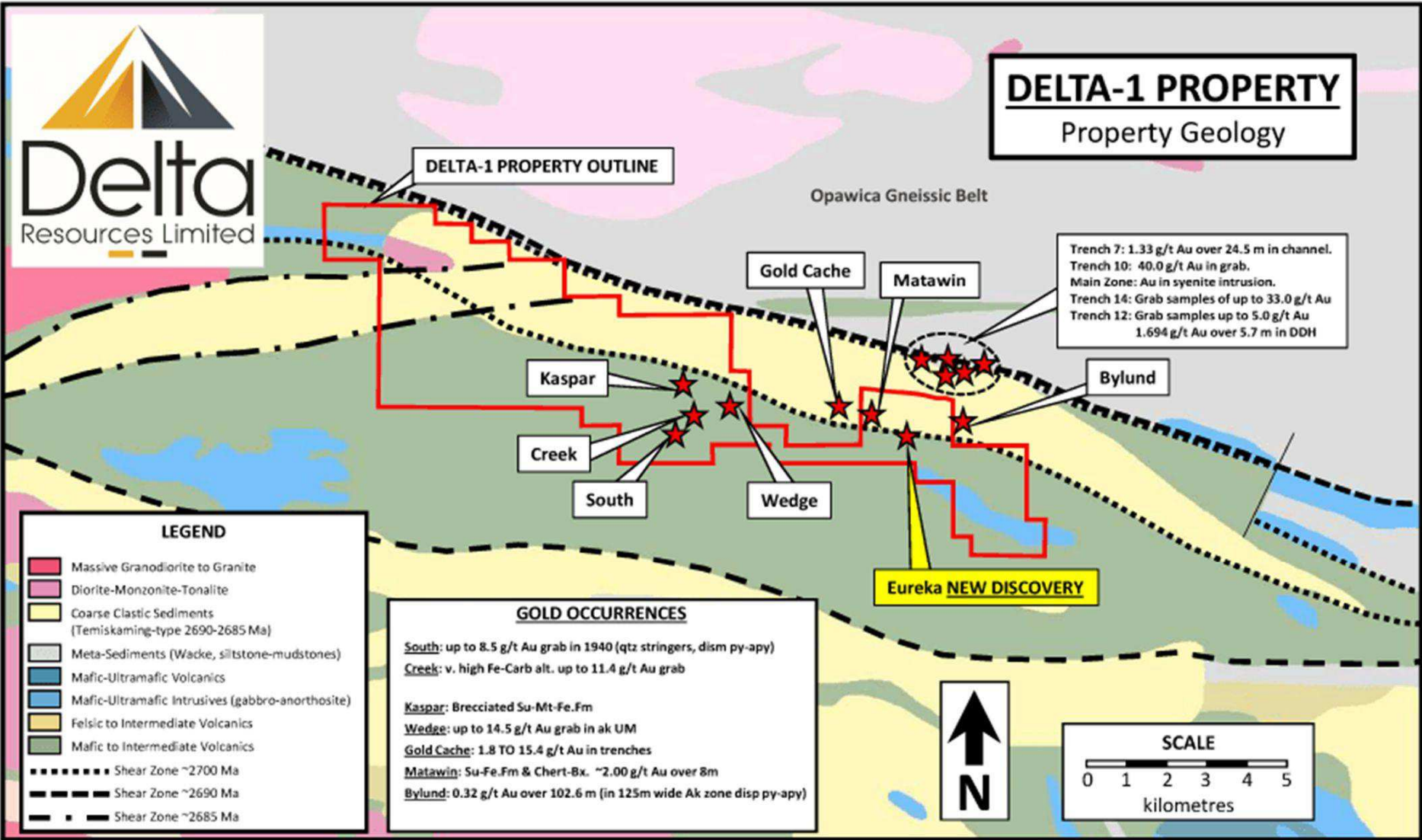


Gold Mineralization

The Delta-1 Property is host to a number of gold occurrences including the Eureka gold occurrence where mechanical trenching has exposed a gold-bearing ankerite-pyrite-arsenopyrite alteration zone with a minimum strike length of 2 kilometres and with a width of up to 400 metres. This alteration zone includes two previously known gold occurrences: the Matawin (located on the property) and Bylund (400m east of the property where intercepts of 102.6 metres @ 0.32 g/t Au have been reported).

The Eureka gold zone is located between the Bylund and Matawin occurrences and is exposed by trenching over a minimum strike length of 400m.

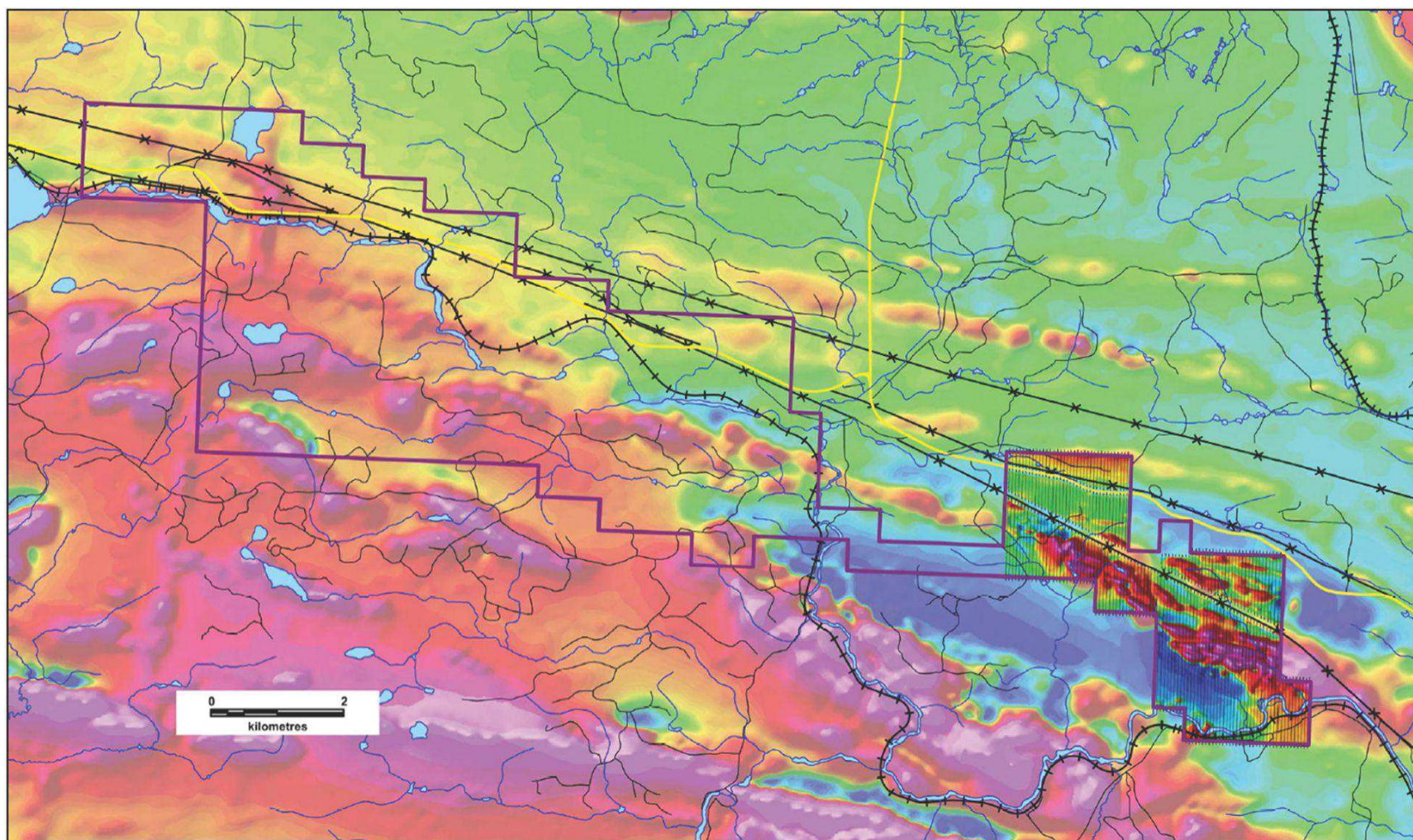
Geology map of the Delta-1 property showing historical gold occurrences.



2019 exploration work

In late October 2019, Delta contracted Vision 4K to carry out a 168 line-kilometer high-resolution drone magnetic survey on the eastern part of the property to better define the subtle structures that were believed to control gold mineralization at the Eureka Gold Occurrence. Results were very impressive as shown in the figure below.

Total Field magnetic map of the Delta-1 property showing the portion covered by a high-resolution drone magnetic survey in October 2019



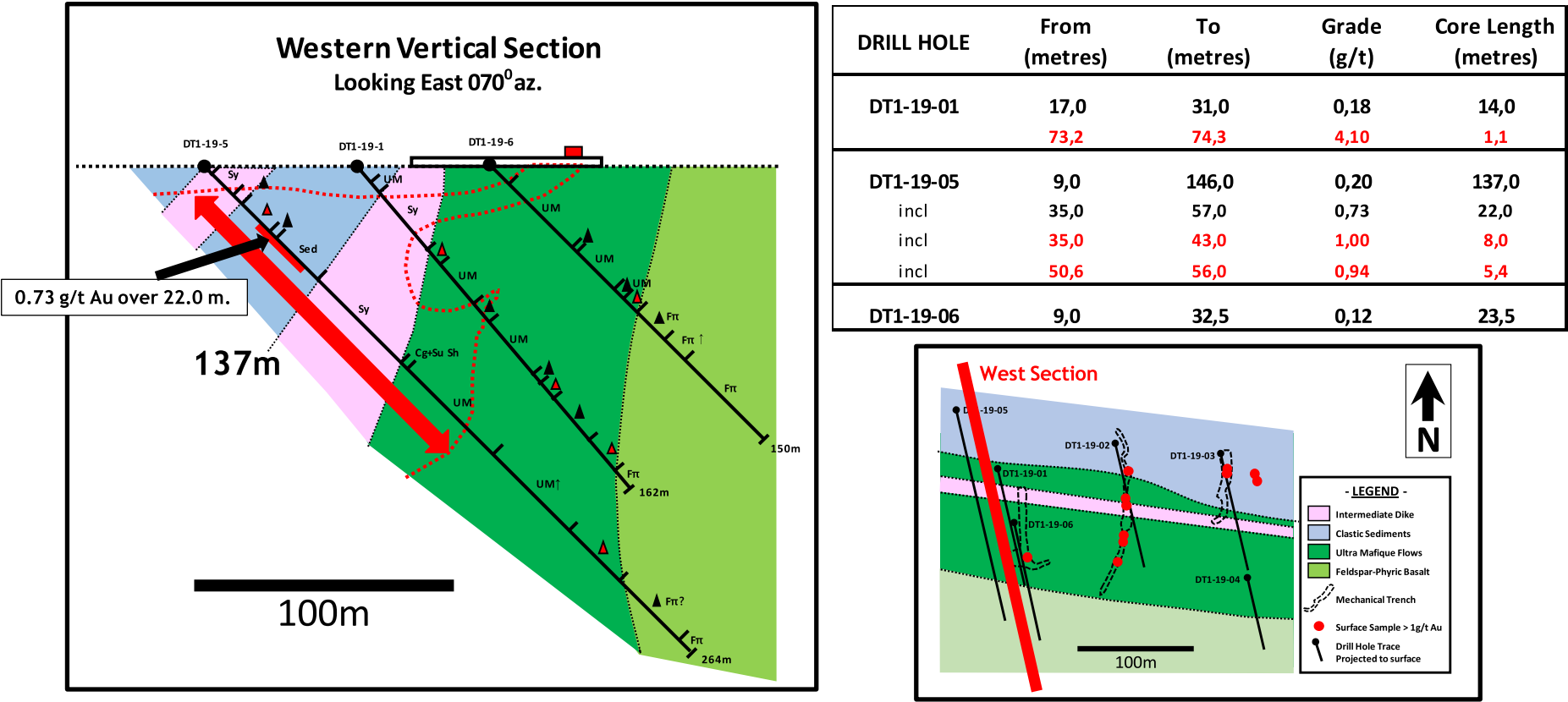
In late November 2019, Delta completed its first drilling program at Delta-1. The program consisted of six holes for a total of 1,009 metres of drilling in 6 drill holes in late November 2019, testing the Eureka Gold Occurrence.

Drilling was carried out on three sections oriented at 160 degrees azimuth and spaced 100 metres apart. The westernmost sections cover approximately 220 metres across strike in three drill holes, the easternmost section covers approximately 175 metres in 2 drill holes and the central section covers approximately 110 metres with one drill hole. Drill hole coordinates are listed in the table below while a map and sections of the drilling are shown below the table.

Table of drill hole coordinates from Delta's November 2019 drill program at Delta-1

	Section	Azimuth	Inclination	Length (m)	Northing	Easting
DT1-19-01	West	160	50	162	5 385 340	289 615
DT1-19-02	Central	160	50	174	5 385 359	289 720
DT1-19-03	East	160	50	159	5 385 345	289 815
DT1-19-04	East	160	50	102	5 385 237	289 839
DT1-19-05	West	160	45	262	5 385 391	289 584
DT1-19-06	West	160	45	150	5 385 293	289 620
Total				1009		

**Geology map (lower right) and vertical section (left) of Delta's drilling at Eureka.
The table of results shows the results for the drill holes of this section only**



From north to south, drilling intersected clastic sediments, ultramafic flows and feldspar-phyric mafic flows crosscut by dikes of intermediate composition. Pervasive, intense alteration, consisting of ankeritization and silicification affects all of the aforementioned rock types and is followed by at least two generations of hydrothermal breccias.

Gold mineralization occurs in all rock types except the feldspar-phyric flows where it has not yet been observed. Gold mineralization is typically disseminated, although at least three generations of quartz-carbonate-albite stockwork veins are observed. Exact timing of the gold mineralization has not been determined. To date, the rocks intersected in drill core are only weakly deformed. Delta has not intersected the Shebandowan Structure that could potentially concentrate and channel gold mineralization or remobilize and concentrate early gold. The Delta team is currently working to determine the relationship between these newly intersected, broad and open disseminated gold zones and the higher-grade gold occurrences in the area.

Results to date show a very wide zone of low-grade gold mineralization intersected over a 200 metres strike length and extending vertically from surface to a depth of up to 110 metres. The mineralized zone is open to the North, West, East and at depth.

Complete results are as follows:

DRILL HOLE	From (metres)	To (metres)	Grade (g/t)	Core Length (metres)
DT1-19-01	17,0	31,0	0,18	14,0
	73,2	74,3	4,10	1,1
DT1-19-02	3,9	110,6	0,11	106,7
incl	22,5	25,4	0,51	2,90
incl	94,7	110,6	0,33	15,9
DT1-19-03	10,0	151,0	0,17	141,0
incl	10,0	53,0	0,45	43,0
incl	14,0	41,5	0,64	27,5
incl	14,0	27,8	0,84	13,8
incl	18,0	25,5	1,10	7,50
DT1-19-04	2,8	30,0	0,21	27,2
incl	13,0	20,5	0,37	7,50
DT1-19-05	9,0	146,0	0,20	137,0
incl	35,0	57,0	0,73	22,0
incl	35,0	43,0	1,00	8,0
incl	50,6	56,0	0,94	5,4
DT1-19-06	9,0	32,5	0,12	23,5

In December 2019, the Company has signed an agreement with the Ontario Exploration Corporation (**the “OEC”**) to buy back a NSR of up to 1% on its Delta-1 property in the Thunder Bay District, Ontario. The Delta-1 Property includes the recently drilled Eureka Gold prospect.

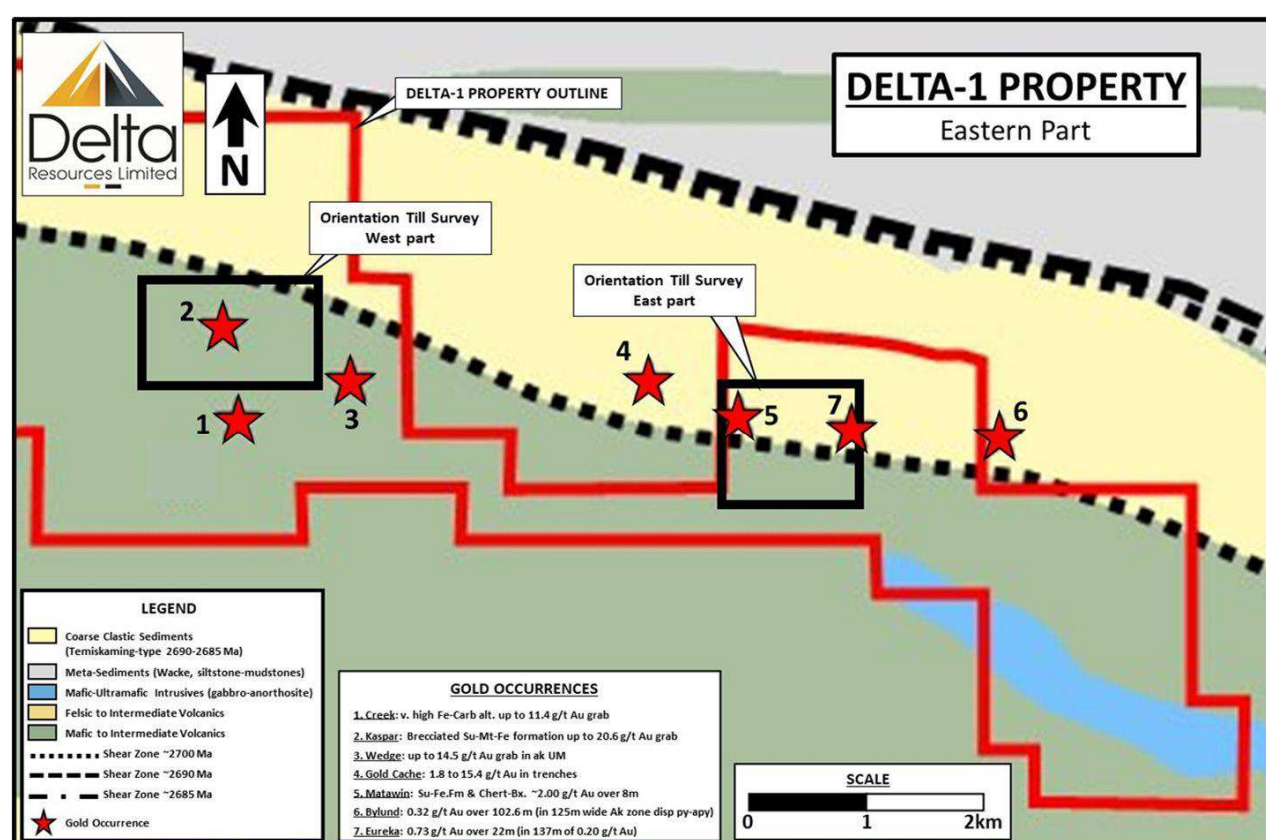
Under the terms of the agreement, Delta now has the exclusive right to purchase 50% of the OEC NSR at Delta-1 by paying the OEC the sum of \$50,000 payable as follows:

- Payment of \$15,000 before December 31st, 2019 (already paid)
- Payment of \$35,000 before May 31st, 2021.

Once Delta exercises its right to buy back the first 50% of the OEC NSR, Delta shall have the right to purchase the second 50% tranche at any time by paying the OEC an additional \$50,000. Following the purchase of the second 50% tranche, Delta will have purchased the entire NSR Royalty currently owned by the OEC on the Eureka Property. The OEC currently owns between 0.5% and 1.0% NSR royalty on certain claims of the Delta-1 property. More specifically, the OEC owns a 1.0% NSR on the claims covering the Eureka Gold prospect, Matawin and Kaspar gold occurrences and a 0.5% NSR on the claims surrounding the Kaspar occurrence.

During the summer of 2020, Delta carried-out an orientation till survey to determine the effectiveness of till sampling to indicate bedrock sources of gold mineralization at the Delta-1 Project. A total of only 23 till samples were collected in the eastern part of the property, over two areas covering roughly one square kilometre each. The areas were selected to cover an area surrounding the Kasper, Matawin, and Eureka gold occurrences (see figure below).

Till sample “G” was instrumental in determining the effectiveness of the method as it was collected 35 metres down-ice from the Kasper gold occurrence and was found to contain 209 gold grains /10kg with 99% of the grains being pristine (see table).

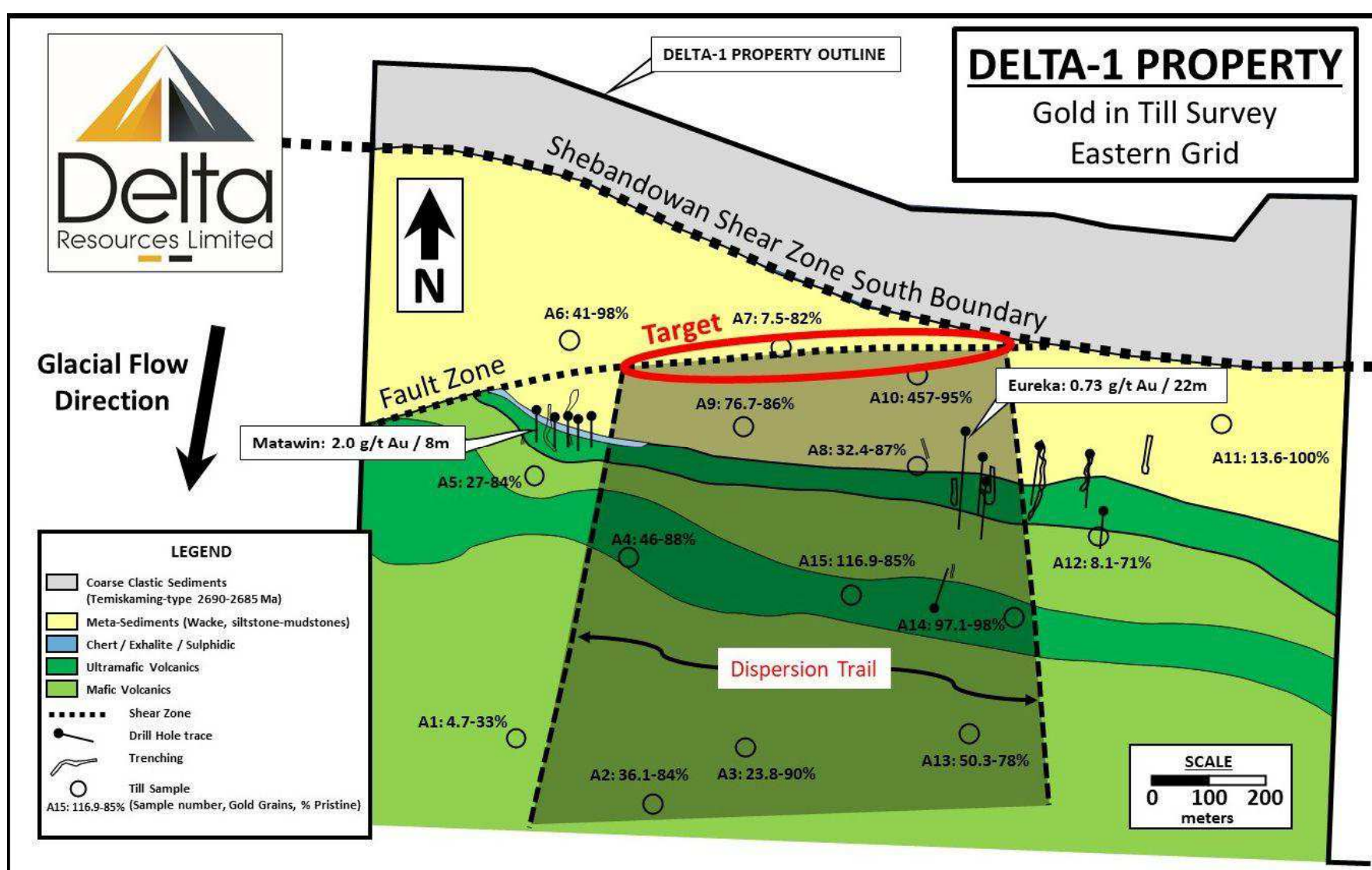


Geological map showing the areas covered by Delta's till survey

Sample	Total Grains Recovered	Grain Morphology			% Pristine Grains	Grains / 10kg fraction < 1mm
		Pristine	Modified	Reshaped		
Till-A	18	13	3	2	72%	11.54
Till-B	6	4	2	0	67%	5.65
Till-C	10	3	5	2	30%	5.96
Till-D	4	1	3	0	25%	3.95
Till-E	8	5	3	0	63%	4.01
Till-F	19	11	5	3	58%	9.32
Till-G	223	221	2	0	99%	209.30
Till-H	4	2	1	1	50%	3.48
A1	6	2	3	1	33%	4.74
A2	44	37	7	0	84%	36.11
A3	40	36	4	0	90%	23.80
A4	73	64	8	1	88%	45.72
A5	43	36	6	1	84%	26.61
A6	46	45	1	0	98%	41.08
A7	11	9	1	1	82%	7.50
A8	38	33	4	1	87%	32.36
A9	116	100	15	1	86%	76.67
A10	418	397	21	0	95%	457.02
A11	12	12	0	0	100%	13.59
A12	7	5	2	0	71%	8.09
A13	58	45	10	3	78%	50.26
A14	107	105	1	1	98%	97.12
A15	115	98	16	1	85%	116.88

Table showing gold grain count and morphology for the orientation till survey at Delta-1

Of particular interest was sample A-10, for which the bedrock source is not known, which returned 457 gold grains /10kg with 95% of the grains being pristine (see map below). Sample A-10, is located at the apex of a dispersion glacial trail (illustrated on the map) that points to a 700m long target area along a fault zone trending 080° azimuth located approximately 200m northwest of Delta's 2019 drill program which intersected up to 0.73 g/t gold over 22.0m in a broad zone of altered rocks grading 0.20 g/t gold over 137m (see Delta press release February 26, 2020). The survey will be followed up with a property-scale till survey to define additional targets.



Geological map of the Eureka and Matawin gold occurrences area at Delta-1 showing a gold grain dispersion trail that points to a structure north and between the two occurrences.

DURING THE PERIOD COVERED BY THIS MD&A

During the month of October 2020, Delta completed a property-scale till survey at the Delta-1 property. A total of 134 basal till samples were collected and sent to the laboratory for gold grain count and gold grain characterization. Analyses were pending at the time this report MD&A was written.

From October 5 to 20, 2020, a crew of four geologists and geological assistants carried out a geological mapping, sampling and prospecting program covering a 9 km² area in the eastern portion of the Delta-1 property. A total of 187 outcrops were visited, described and sampled. At the time this MD&A was written, all results were pending.

Exploration and evaluation expenditures of \$43,585 were incurred on the Delta-1 property during the nine-month period ending September 30, 2020.

DELTA-2 / R-14 PROPERTY

On October 16, 2019, the Company signed an exclusive agreement to acquire a 100% interest in the R-14 Gold Property in the Chibougamau Mining District of Quebec. The property initially covered nearly 126 square kilometres and is located 35 kilometres south-east of the city of Chibougamau, Quebec and accessed via paved Highway 167.

Under this agreement, the Company issued 1,000,000 common shares. To fulfill its obligation, the Company will have the following schedule of work:

Anniversary Date	Cash Payment	Share Payment	Work Commitment
12 months	\$25,000 (already paid)	800,000 (already issued)	\$0
24 months	\$50,000	800,000	\$300,000
36 months	\$100,000	700,000	\$700,000

- The vendor holds a 2.0% NSR Royalty on the claims (except on the 41 legacy claims listed below). Delta may buy back 1.0% at anytime for \$1,000,000.
- 41 legacy claims are subject to a 1.5% NSR Royalty. Delta has the option to purchase 0.75% of this NSR for \$500,000.

The Property is host to several gold occurrences, the most important of which is the R-14 Gold Prospect where mechanical trenching has exposed a gold-bearing dike swarm within a discordant alteration halo 3 kilometres long and 1 kilometre wide. At R-14, exceptional gold values of up to 142.29 g/t Au over core length of 2.44 metres have been intersected in the early 1980's by Corner Bay Exploration (Brunelle, 1983 quoted by Faure, 2012). The property was later worked by D'Arianne Resources Inc. who also reported significant results in channel and drill samples.

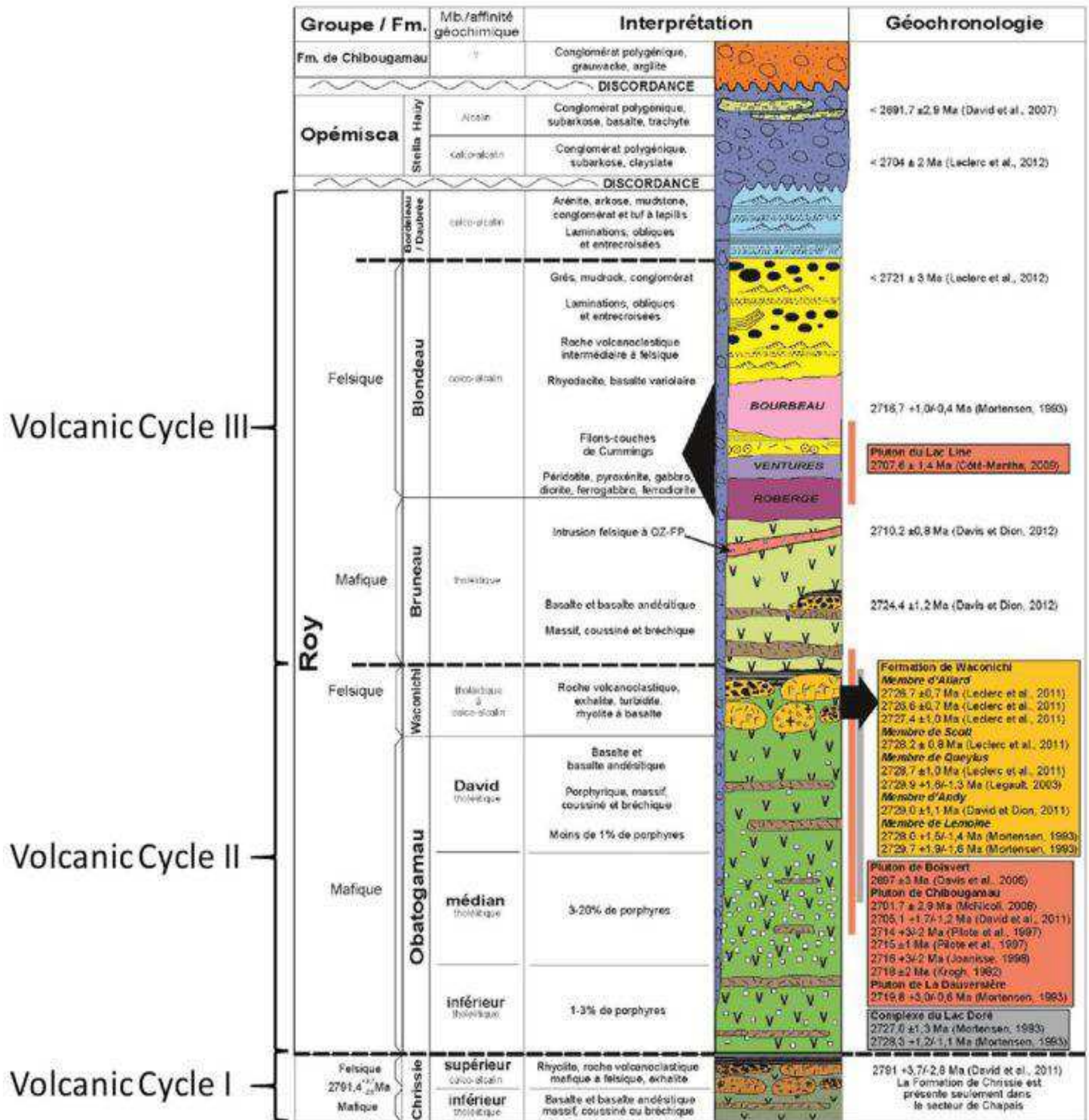
Regional Geology

The Delta-2 property is located at the NE end of the Abitibi Volcanic Belt, just southeast of the Chibougamau and east of Chapais mining camps which account respectively for historic production of 47.5Mt at 1.72% Cu, 2.30 g/t Au and 24.2Mt at 2.24% Cu, 1.13 g/t Au.

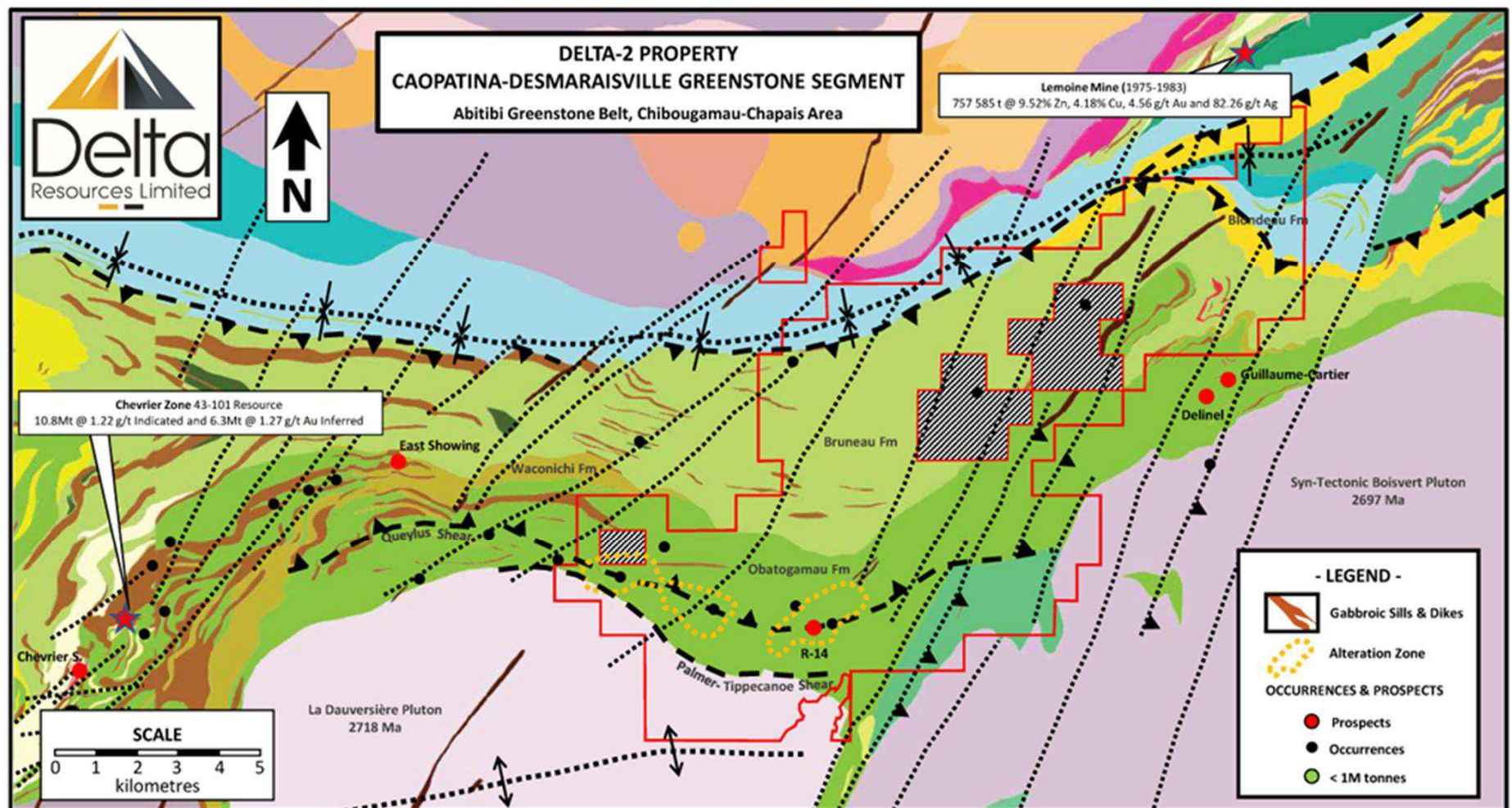
The greenstone part of the Caopatina-Desmaraisville segment is delimited by the Kapunapotagen Fault to the north, the Guercheville Fault to the south, the Grenville Front to the east and the Lapparent massif to the west.

In the Chibougamau district, three (3) volcanic cycles are identified. All three volcanic cycles consist generally of mafic volcanics (massive to pillowed) of tholeiitic affinity at their base, overlain by intermediate to felsic volcanics of transitional to calc-alkaline affinity. The stratigraphic sequence with estimated thicknesses and age of rocks is shown in the stratigraphic column below and the distribution of these rocks at the property-scale is shown on the figure following the stratigraphic column.

Regional stratigraphic column of the Chibougamau area. Modified after Leclerc, 2011



Geology map of the Caopatina-Desmaraisville Greenstone Belt and the Delta-2 property outline in red



VOLCANIC CYCLE I (2798-2790 Ma): This is the oldest volcanic cycle and consists of the **Chrissie Formation**. Rocks of the Chrissie Formation comprise basalts that are overlain by a sequence of intermediate to felsic volcanics.

VOLCANIC CYCLE II (2760-2726 Ma): The base of volcanic cycle II consists of the **Obatogamau Formation** which comprises a thick sequence of massive to pillowed basalts (often feldspar phyric) with thin, discontinuous horizons of felsic volcanic rocks. The Obatogamau Formation is overlain by the **Waconichi Formation** consisting of felsic volcanic rocks of intermediate to calc-alkaline affinity.

VOLCANIC CYCLE III (2724-2717 Ma): Volcanic cycle III consists of andesites and basalts of the **Bruneau Formation** at its base, overlain by felsic volcanics and volcanoclastic rocks of the **Blondeau Formation**. Rocks of the Blondeau Formation are well known in the region for their association with VMS deposits.

OVERLYING SEDIMENTS (2704-<2692 Ma): Unconformably lying at the top of the volcanic sequence are the **Hauy and Stella Formations** which consist of clastic sedimentary units ranging from mudstones to polymictic conglomerates. These sedimentary rocks are typically spatially associated with regional deformation zones along which sedimentary basins formed during dip-slip movements (i.e. they are often referred to as syn-tectonic).

Intrusive rocks crosscut the entire stratigraphic sequence. Four major intrusive events are recognized and are as follows (from oldest to youngest):

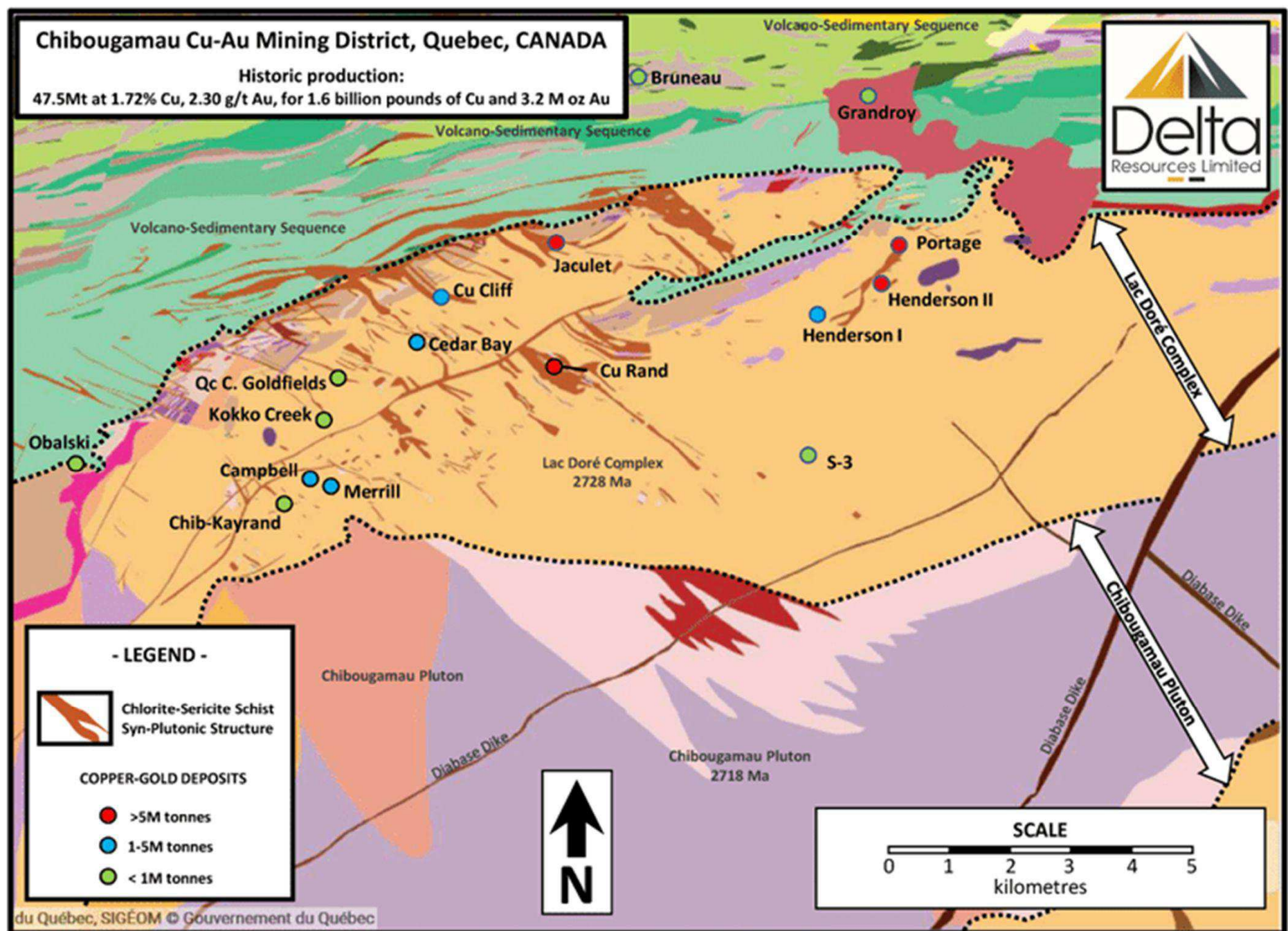
- Syn-volcanic intrusions associated with Volcanic Cycle II such as the Lac Dore Complex (2728 Ma), a layered anorthosite and gabbroic intrusion.
- Syn-volcanic intrusions synchronous to volcanic cycle III such as the Chibougamau Pluton (2718 Ma). and the La Dauversiere Pluton (2720 Ma). Intrusions of this type are known for their association with gold-copper mineralization. In fact, the Chibougamau Pluton is recognized as the mineralizing engine responsible for the entire Chibougamau Mining district (19 mines; 47,8 Mt of 1.82% Cu and 1.8 g/t Au).
- Syn-volcanic sills of ultramafic to gabbroic composition associated with Volcanic Cycle III such as the Bourbeau, Venture and Roberge sills (2716 Ma), and
- Syn-tectonic of tonalitic to granodioritic intrusions synchronous to the Hauy and Stella sediments such as the Boivert Pluton (2697 Ma).

Metamorphic grade in the area is generally of greenschist facies but increases to amphibolite facies near certain syn-tectonic intrusions and even reaches granulite facies along the Grenville Front to the east.

Regional Deformation History

Phase 1 - The earliest evidence of deformation in the area consists of folds with axial traces trending NNW-SSE to NS. The relative age of this folding is unclear, but it appears to be pre-to syn-tectonic. It should also be noted that, except for the Henderson-Portage structure (045°/60°SE) most of the deposits in the Chibougamau Mining district are located on NW-SE-trending structures.

Geology map of the Chibougamau Mining District showing NE and NW-trending structures hosting the Cu-Au mines and dikes related to the Chibougamau Pluton



Phase 2a - Regional deformation is characterized by a strong EW-trending, generally steeply dipping foliation which is axial planar to isoclinal folds. Extensive EW-trending ductile shear zones also formed during this phase of deformation. These intense and often wide zones of deformation are believed to have formed with reverse movements. This phase of deformation is believed to be due to a NS compression.

Phase 2b - EW-trending structures are crosscut by sub-vertical, NE-SW-trending deformation zones with associated foliation. These structures formed initially with sinistral movements but have been reactivated during later phases of deformation. These structures are believed to have formed late during the second phase of deformation during NS-trending shortening.

Phase 3 - Is characterized by a reactivation of the Phase 2b structures with a dextral sense of motion.

Phase 4 - This last phase of deformation is characterized by NNE-SSW-trending faults with associated foliation but showing more brittle attributes. These structures are believed to have formed as a result of the Proterozoic collision

of the Grenville Province and are more abundant in the eastern part of the region, at the Grenville Front. This phase of deformation would also have reactivated the Phase 2b structures with a dextral sense of motion.

Property Geology

The Delta-2 property covers the north-eastern contact of the syn-volcanic La Dauversière pluton (2720 Ma). The La Dauversière pluton has a tonalitic composition and is thought to be responsible for many gold occurrences in the area such as the Chevrier Zone (43-101 Resource of 10.8Mt @ 1.22 g/t Indicated and 6.3Mt @ 1.27 g/t Au Inferred) and the R-14 Gold Prospect which is situated on the Delta-2 Property.

Immediately north of the La Dauversière Pluton, in the southern half of the property, rocks consist of massive to pillowed basalts of the Obatogamau Formation (Volcanic Cycle II). The basalts are intercalated with thin horizons of intermediate to felsic volcanics and presumably, are overlain by felsic volcanic rocks of the Waconichi Formation.

The northern half of the property is shown by the Quebec Ministry of Energy and Natural Resources as andesites and basalts of the Bruneau Formation (lower unit of Volcanic Cycle III). In the NE part of the property, the Bruneau Formation rocks are overlain by the felsic and sedimentary rocks of the Blondeau Formation (Upper part of Volcanic Cycle III).

In the Chibougamau area, the contact between Volcanic Cycles II and III is very prospective for VMS mineralization. In fact, the past producing Lemoine Mine (1975-1983: 757 585 tonnes @ 9.52% Zn, 4.18% Cu, 4.56 g/t Au and 82.26 g/t Ag), a small but very high grade, is located approximately two kilometres north of the property boundary, at that contact. A strike length of over 15-20 kilometres of this prospective contact is located on the Delta-2 property.

Stratigraphy is generally EW-trending and turns NE-SW in the eastern part of the property, generally wrapping around the more competent rocks of the La Dauversière and Boisvert plutons.

Extrusive rocks of the property are intruded by a number of small syn-volcanic mafic sills and dikes and felsic dikes that are genetically linked to the La Dauversière Pluton (Faure, 2012) and spatially associated with the R-14 gold prospect.

Property-Scale Deformation History

The deformation and metamorphic history at the property-scale is the same as described at the regional-scale.

Phase 2 Deformation is characterized by a strong EW-trending, steeply dipping foliation which turns NE-SW in the eastern part of the property. Two structures of this generation, described as “deformation corridors” are documented on the property (Faure, 2012): the Queylus corridor to the north and the Palmer-Tippecanoe corridor to the south, at the contact with the La Dauversière pluton. The R-14 Gold Prospect is spatially associated with the Queylus deformation corridor.

These structures are crosscut by a number of NE-SW-trending structures believed to be of deformation Phases D2b and 3. However, the property being bounded to the east by the Grenville Front, these NE-SW-trending structures have all been reactivated during deformation Phase 4.

Metamorphism at the property is generally greenschist facies but reaches the upper-amphibolite facies in the eastern part of the property.

Property-Scale Mineralization and Alteration

The most important gold prospect at the Delta-2 Property consists of the R-14 Gold Prospect which is spatially associated with the Queylus deformation zone and with a felsic dike swarm associated with the La Dauversière Pluton. At R-14, exceptional gold values of up to 142.29 g/t Au over core length of 2.44 metres have been intersected in the early 1980's by Corner Bay Exploration (Brunelle, 1983 quoted by Faure, 2012). The property was later worked by D'Arianne Resources who also reported significant results in channel and drill samples.

Although the R-14 Gold Prospect is documented as hosted by the Queylus Deformation zone, Faure (2012) has documented a discordant alteration halo of over 3.5 x 1.1 kilometres surrounding the mineralized zone. A similar alteration zone of over 4x1 kilometres is also documented west of the R-14 gold prospect. The westernmost part of this alteration zone starts at the La Dauversière pluton contact.

Economic Mineralization

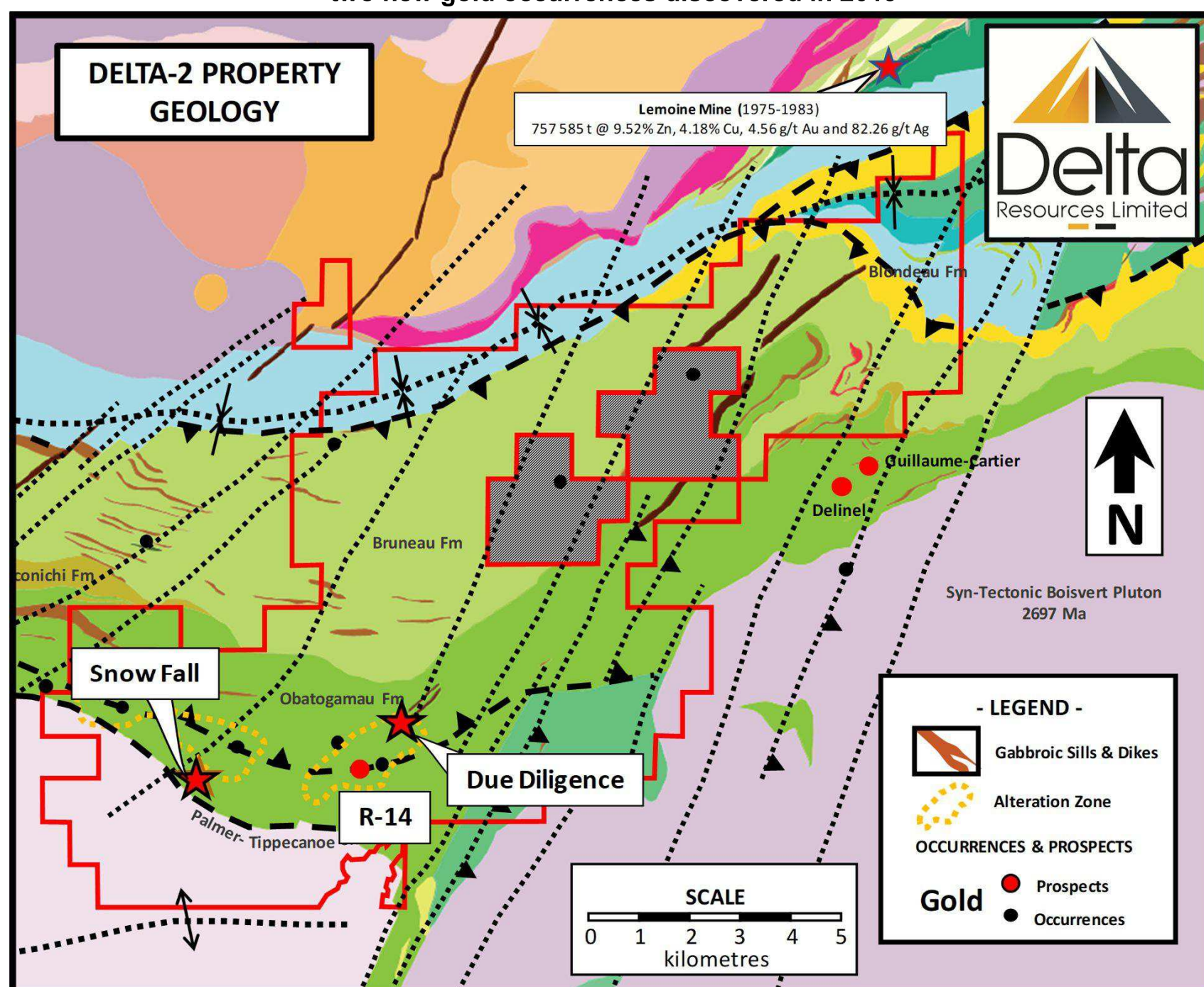
There are two types of targets for mineralization at Delta-2.

Gold Targets are believed to be associated with syn-plutonic structures with or without felsic dikes. The objective is to locate these structures through high-resolution magnetic surveys and field-proof this hypothesis. The size of the alteration halo defined by Faure (2012) and the long-lived nature of the structures, suggest an important system with great size potential.

Gold-Rich Volcanogenic Massive Sulphide Targets are believed to be associated with the contact between Volcanic Cycle II and III. In the immediate area of the Delta-2 property, the past producing Lemoine Mine is an example, located approximately 2 kilometres to the north of the Delta-2 property boundary. Respectively 1.5 kilometres and 2 kilometres east of the Delta-2 property boundary, are the Guillaume-Cartier and Delinel Gold prospects; two additional gold-rich occurrences showing volcanogenic massive sulphide affinity. Both prospects consist of gold-bearing, concordant lenses of disseminated to semi-massive pyrite-pyrrhotite with minor amounts of chalcopyrite and sphalerite. Drill hole intercepts of 27,52 g/t Au over 1 m; 4,77 g/t Au sur 1 m; 1,04 % Cu over 1 m; 11,92 g/t Au over 1,0 m; 6,65 g/t Au, 7,3 g/t Ag et 1,0 % Cu over 0,3 m; 13,05 g/t Au over 1,2 m, are reported at Guillaume-Cartier.

In 2019, within a month of acquiring the Delta-2 property, Delta announced two new gold discoveries at the property (see location map of the new occurrences).

Geology map of the Delta-2 property showing the location of Delta's two new gold occurrences discovered in 2019



The New Due Diligence Gold Discovery:

The Due Diligence gold occurrence was discovered during Delta’s due diligence work prior to the acquisition of the Delta-2 property. The gold occurrence is located approximately 1.1 kilometre northeast of the R-14 gold prospect and consists of a 20cm wide, sub-vertical, gold quartz vein trending 070°az. So far, the structure is only exposed over a few metres of strike length as the outcrop disappears under glacial till. Five grab samples from the vein were sent to assay and results are as follows:

Sample 2404:	11.75 g/t gold
Sample 2405:	2.42 g/t gold
Sample 2406:	15.65 g/t gold
Sample 2407:	55.80 g/t gold
Sample 2408:	15.45 g/t gold

Shortly after the initial discovery, a channel sample was collected over the vein and host rocks and returned 6.45 g/t Au over 1 metre.

The New Snow Fall Gold Discovery:

The Snow Fall gold occurrence is located approximately 3.3 kilometres SSW of the R-14 gold prospect and consists of a 30cm wide, strongly deformed, sub-vertical, gold quartz vein trending 040°az. The discovery was made shortly before snowfall and so far, the vein and host structure could only be exposed over 2 metres along strike and approximately 1 metre across. The rocks hosting the quartz vein are strongly altered with iron-carbonate over at least one metres perpendicular to the quartz vein. Six grab samples were sent to assay, sampling both vein material and host rocks, and results are as follows:

Sample 2251:	0.01 g/t gold	Quartz vein material
Sample 2252:	9.97 g/t gold	Quartz vein material
Sample 2253:	5.62 g/t gold	Host rock material
Sample 2254:	10.10 g/t gold	Host rock material-Gossanous
Sample 2255:	0.04 g/t gold	Feldspar Porphyry dike
Sample 2256:	11.45 g/t gold	Composite sample vein and host rock

Before snowfall and so far, the vein and host structure could only be exposed over 2 metres along strike and approximately 1 metre across. The rocks hosting the quartz vein are strongly altered with iron-carbonate over at least one metres perpendicular to the quartz vein.

During the period covered by this MD&A

From June to August 2020, a crew of 10 geologists, technicians and prospectors carried-out a field program of geological mapping, sampling, prospecting, and mechanical trenching, ground-proofing conceptual gold targets and VTEM anomalies.

The mechanical trenching and channel sampling programs were completed at the Delta-2 property. The best assay results are summarized in the table below:

**TABLE OF SIGNIFICANT CHANNEL-SAMPLE RESULTS FROM THE SNOWFALL AREA
AND THE DUE DILLIGENCE GOLD OCCURRENCE.**

OCCURRENCE	CHANNEL	GRADE			LENGTH (m)	REMARK
		Au (g/t)	Ag (g/t)	Cu (%)		
Snow	R1	1.15	0.08	0.02	8.90	
Snow	including	4.20	0.33	0.04	1.90	
Snow	R2	0.71	0.54	0.03	0.60	
Snow	R3	2.82	0.10	0.03	2.90	Open*
Snow	including	3.87	0.14	0.04	2.00	Open
Snow	R4	0.43	0.35	0.02	18.10	
007	R1	1.82	8.77	0.23	4.60	
007	including	2.88	14.75	0.37	2.10	
007	R2	2.40	0.90	0.07	1.00	
007	R3	1.08	3.46	0.11	4.60	
007	including	2.00	8.58	0.24	1.60	
007	R4	2.24	22.46	0.46	2.50	
007	Including	4.30	46.06	0.91	1.70	
007	R5	2.62	3.33	0.12	1.80	
AB	R3	1.19	0.20	0.02	1.10	
AB	R5	2.12	0.10	0.01	1.90	
including		4.02	0.30	<0.01	0.90	
Due Diligence		22.97	1.60	0.03	0.25	
Due Diligence		10.25	0.70	0.07	0.25	

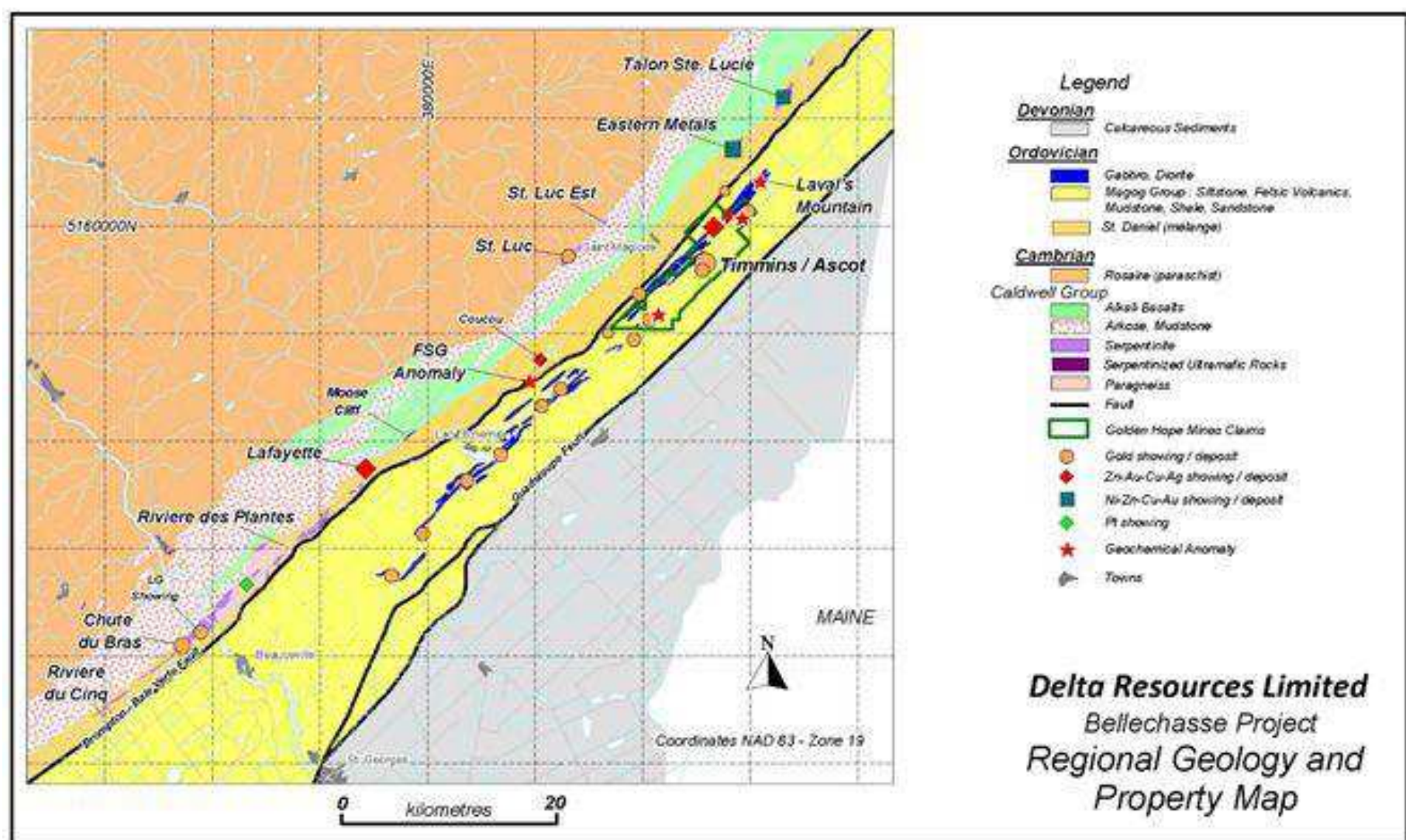
*Channel could not be completed due to bedrock topography or excessive cover.

On November 1, 2020, diamond drilling started at the property and at the time this MD&A was written, four drill holes had been completed at the Snowfall Occurrence area for a total of 588 metres. The drill core was being logged and sampled.

Exploration and evaluation expenditures of \$692,230 were incurred on the Delta-2 property during the nine-month period ending September 30, 2020.

BELLECHASSE PROPERTY

The 100% owned Bellechasse property is located approximately 90 kilometres south east of Quebec City within the northern part of the Appalachian range of mountains. The property consists of approximately 138 claims totaling 5,053 hectares. The Quebec property covers an area of continental collision in which transform faulting is common. Locally, this collision terrain is part of the Appalachian Mountain fold belt. Widespread gold mineralization has historically been found between Bellechasse and west of the Chaudière River. Mineralization with potential economic interest is hosted in zones of fracturing and brecciation in the older intrusives or other pre-existing competent rocks in structural features related to regional trans-current/transform faults.



The Bellechasse Belt currently includes three main areas of interest:

- Bellechasse-Timmins (incl.; T1, T2, 88, and Ascot/Road Zones)
- The Beland anomaly (approx. 6.2 kms southwest of Bellechasse-Timmins)
- Champagne Zone, a partially explored gold and base metal deposit

On June 18, 2012, the Company announced its inaugural NI 43-101 resource estimate. Since the publication of the full report in August of 2012, the Company has looked at a variety of options to take the project to the next stage of development.

Bellechasse-Timmins Gold Deposit

The Bellechasse-Timmins gold zone is hosted by an early diorite intrusive emplaced in Lower Palaeozoic sediments of southeastern Quebec. Gold was first confirmed in the Bellechasse area in 1950, at which time the Ascot and Timmins 1 (T1) zones were discovered.

A third mineralized body was indicated by shallow diamond drilling in 1952 and referred to as the Timmins South Zone (now called Timmins 2 or T2). Due to thick overburden, trenching did not reach bedrock and the mineralized zone was not exposed. Little subsequent work was done until the current management and technical team began further exploration work in the fall of 2006.

The Champagne VMS

In the fall of 2011, the Company engaged Geotech Limited to conduct a VTEM of the Bellechasse Belt around the Champagne deposit. At the beginning of the 2012 exploration season, the Company drilled the historically known Champagne deposit by twinning some of the historical holes in order to confirm the resource. The results of the campaign published in April 2012 revealed that the mineralization is indeed present although the tonnage had not been confirmed. Additionally, some exploration holes were drilled in an attempt to locate another Champagne style mineralization on the "Champagne Horizon". Although the signatures were strong in the areas where exploration holes were drilled, the results from these holes were not what management was expecting. The Company is actively considering ways to advance the development of the Champagne deposit, including potentially through joint ventures.

Developments at Bellechasse-Timmins during the period covered by the MD&A

On July 3rd, 2020 Delta signed an agreement with Yorkton Ventures for the sale of the Bellechasse-Timmins gold property for \$1.7 million.

On July 16, 2020 the TSX Venture Exchange has accepted for filing documentation an asset purchase agreement (the "Agreement") between the Yorkton Ventures affiliate, 9412-1068 Quebec Inc. (the "Purchaser") and Delta Resources Limited (the "Vendor") dated July 3, 2020. Pursuant to the terms of the Agreement, the Purchaser will acquire 100% of the Bellechasse-Timmins Project located in Quebec from the Vendor for a total cash consideration of \$1.7 million. The Purchaser will also commit to paying the Vendor a royalty of 1% NSR () on all commercial production of gold. The Purchaser may repurchase 0.5 % of the NSR for \$1 million at any time.

Additional cash payments from Yorkton Ventures are due to Delta on the following schedule:

October 14, 2020:	\$250,000 (condition fulfilled)
January 15, 2021:	\$350,000
June 1 st , 2021:	\$450,000
September 1 st , 2021:	\$550,000

JULIAN PROPERTY

On July 2, 2015, the Company acquired from Michael Dehn (a Former Director of the Company) and two prospectors a 100% right, title and interest in 16 claims (861 hectares) located in the Bellechasse/Beauce Region of southeastern Quebec. Under the Agreement, the Company paid \$1,000 in cash and issued 500,000 of the Company's common shares (valued at \$210,000 based on the price on September 17, 2015 when the shares were issued).

The property was written-off during the three-month period ended March 31, 2019.

SUMMARY OF QUARTERLY AND YEAR TO DATE RESULTS

Summary of Annual Results

The following tables set out financial performance highlights for the past three fiscal years.

	Year ended December 31, 2019	Year ended December 31, 2018	Year ended December 31, 2017
Interest income	\$0	\$0	\$0
Operating expenses	\$972,219	\$251,116	\$478,698
Net loss and comprehensive loss	(\$809,813)	(\$251,116)	(\$478,698)
Loss per share	(\$0.044)	(\$0.018)	(\$0.035)
Cash used in operations	(\$791,736)	(\$46,283)	(\$484,428)
Cash, end of year	\$938,809	\$67,767	\$110,470
Assets	\$1,153,124	\$142,178	\$223,132
Dividends	\$0	\$0	\$0

This selected annual information should be read in conjunction with the audited financial statements filed on www.sedar.com for the year ended December 31, 2019.

RESULTS OF OPERATIONS

Results of Operations for the nine-month period ended September 30, 2020

The comments below provide an analysis of the operating results for the nine-month period ended September 30, 2020. The selected financial information shown below is taken from the condensed unaudited interim consolidated financial statements for each of the nine-month periods indicated.

The Company recorded a net loss for the nine-month period ended September 30, 2020 of \$1,737,175 compared to a net loss of \$284,374 for the nine-month period ended September 30, 2019.

FINANCIAL HIGHLIGHTS

	September 30 (9 months)	
	2020	2019
Revenues	\$ 6,688	\$ -
Shareholders' information	\$ 70,388	\$ 32,418
Legal, financial and other corporate expenses	\$ 137,017	\$ (28,279)
Salaries and fringe benefits	\$ 68,231	\$ 21,917
Travel	\$ 8,372	\$ 6,725
Share-based compensation	\$ 325,085	\$ 86,919
General administrative expenses	\$ 28,630	\$ 23,477
Management fees	\$ 45,000	\$ (50,000)
Transaction costs	\$ -	\$ 65,444
Exploration and evaluation expenditures	\$ 418,499	\$ 1,756
Depreciation	\$ 937	\$ 1,046
	<u>1,102,159</u>	<u>161,423</u>
Net loss and comprehensive loss	<u>\$ (1,095,471)</u>	<u>\$ (161,423)</u>
Cash	<u>\$ 1,737,175</u>	<u>\$ 284,374</u>

Shareholders' Information

Shareholders' Information expenses mainly consist of fees paid for website maintenance, SEDAR filings, annual meeting materials, dissemination of press releases transfer, agent services, investor relations and trade shows. For the nine-month period ended September 30, 2020, the increase of \$37,970 from the previous period was due an increase in stock exchange charges and investor relations and shareholder information expenses.

Legal, Financial and other corporate expenses

Legal, Financial and other corporate expenses were \$137,017 for the nine-month period ended September 30, 2020, compared to \$(28,279) for the nine-month period ended September 30, 2019. The increase of \$165,296 from the previous period was due an increase in professional, in financial and corporate development expenses. During the nine-month period ended September 30, 2019 a debt settlement agreement with creditors, affected the professional and consultants fees.

Salaries and fringe benefits

Salaries and benefits for the nine-month period ended September 30, 2020, amounted to \$68,231 (2019 – \$21,917). The increase was due to employment contract signed at the end of June 2019 between the Company and André C. Tessier, President and Chief Executive Officer.

Share-based compensation

Share-based compensation expenses relate to stock options granted. The calculation of this non-cash expense is based on the fair value of the stock options granted, amortized over the vesting period of the option using the graded vesting method. The Company uses the Black-Scholes model to calculate the compensation expense.

There was \$325,085 in share-based compensation for the nine-month period ended September 30, 2020 compared to \$86,919 for the same period in 2019. The expenses represent the issuance of 1,680,000 stock options to management, board of directors and a consultant (2019-1,780,000).

Management fees

Included in Management fees are fees paid to the Former President (now the Chairman). Management Fees were \$45,000 for the nine-month period ended September 30, 2020 compared to \$(50,000) for the same period in 2019. The increase of \$95,000 from the previous period was primarily due to a debt settlement agreement with the Former President.

Exploration and evaluation expenditures

Included in exploration and evaluation expenditures are fees incurred for work done on Delta-1 / Eureka, Delta-2 / R-14 and Bellechasse properties, the amount received at the signature of the sale of the Bellechasse-Timmins property, tax credits and credits on duties during the nine-month ended September 30, 2020. Evaluation and exploration expenditures of \$418,499 were incurred.

Other income

Other income for the nine-month period ended September 30, 2020 amounted to \$6,688 (Nil in 2019), consisting rental income, interest income and other revenues. Given its status as an exploration company, the Company does not generate any steady income, and must finance its activities by issuing equity.

Results of Operations for the three-month period ended September 30, 2020

The comments below provide an analysis of the operating results for the three-month period ended September 30, 2020. The selected financial information shown below is taken from the condensed unaudited interim consolidated financial statements for each of the three-month periods indicated.

The Company recorded a net loss for the three-month period ended September 30, 2020 of \$603,733 compared to net loss of \$223,674 for the three-month period ended September 30, 2019.

FINANCIAL HIGHLIGHTS

	September 30 (3 months)	
	2020	2019
Revenues	\$ 237	\$ -
Shareholders' information	34,489	8,782
Legal, financial and other corporate expenses	58,314	22,012
Salaries and fringe benefits	27,852	21,917
Travel	10	5,748
Share-based compensation	325,085	86,919
General administrative expenses	10,035	10,295
Management fees	15,000	-
Transaction costs	-	65,444
Exploration and evaluation expenditures	132,870	2,255
Depreciation	315	352
	<u>603,970</u>	<u>223,724</u>
Net loss and comprehensive loss	<u>\$ (603,733)</u>	<u>\$ (223,724)</u>
Cash	<u>\$ 1,737,175</u>	<u>\$ 284,374</u>

Shareholders' Information

Shareholders' Information expenses mainly consist of fees paid for website maintenance, SEDAR filings, annual meeting materials, dissemination of press releases transfer, agent services, investor relations and trade shows. For the three-month period ended September 30, 2020, the increase of \$25,707 from the previous period was due to an increase in shareholder information and investor relations investors.

Legal, Financial and other corporate expenses

Legal, Financial and other corporate expenses were \$58,314 for the three-month period ended September 30, 2020, compared to \$22,012 for the three-month period ended September 30, 2019. The increase of \$36,302 from the previous period was mainly due to an increase in consultant fees.

Share-based compensation

Share-based compensation expenses relate to stock options granted. The calculation of this non-cash expense is based on the fair value of the stock options granted, amortized over the vesting period of the option using the graded vesting method. The Company uses the Black-Scholes model to calculate the compensation expense.

There was \$325,085 in share-based compensation for the three-month period ended September 30, 2020 compared to \$86,919 for the same period in 2019. The expenses represent the issuance of 1,680,000 stock options to management, board of directors and a consultant (2019-1,780,000).

Management fees

Included in Management fees are fees paid to the Former President (now the Chairman). Management Fees were \$15,000 for the three-month period ended September 30, 2020 compared to Nil for the same period in 2019.

Exploration and evaluation expenditures

Included in exploration and evaluation expenditures are fees incurred for work done on Delta-1 / Eureka, Delta-2 / R-14, the amount received at the signature of the sale of the Bellechasse-Timmins property, tax credits and credits on duties during the three-month ended September 30, 2020. Evaluation and exploration expenditures of \$132,870 were incurred.

Other income

Other income for the three-month period ended September 30, 2020 amounted to \$237 (Nil in 2019), interest income and other revenues. Given its status as an exploration company, the Company does not generate any steady income, and must finance its activities by issuing equity.

The selected financial information below was taken from Delta's unaudited interim financial statements for each of the following quarters:

	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
	September 30, 2020	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019	March 31, 2019	December 31, 2018
Interest income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operations expenses	\$603,970	\$163,569	\$334,620	\$810,796	\$223,724	(\$104,259)	\$41,958	(\$42,741)
Net income (loss) and comprehensive income (loss)	(\$603,722)	(\$162,271)	(\$329,467)	(\$648,390)	(\$223,724)	\$104,259	(\$41,958)	\$42,741
Loss per common share	(\$0.020)	(\$0.006)	(\$0.011)	(\$0.027)	(\$0.011)	(\$0.007)	(\$0.003)	\$0
Cash used in operations	(\$245,688)	(\$250,079)	(\$348,120)	(\$429,791)	(\$154,422)	(\$169,954)	(37,969)	(\$21,071)
Cash, end of period	\$1,737,175	\$398,200	\$589,840	\$938,809	\$284,274	\$225,196	\$29,798	\$67,767
Assets	\$2,196,121	\$717,441	\$855,686	\$1,153,124	\$353,243	\$291,466	\$107,868	\$142,178
Dividends	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

LIQUIDITY AND CAPITAL RESOURCES

Financings

The Company will look to add to its treasury, whenever necessary, through additional financing efforts to continue working on its exploration program.

The Company defines capital as shareholders' equity. The Company's objectives when managing capital are to:

- ensure sufficient liquidity to support its financial obligations and execute its operating and strategic plans;
- maintain financial capacity and access to capital to support future development of the business while taking into consideration current and future industry, market and economic risks and conditions; and
- utilize short term funding sources to manage its working capital requirements.

The Company has no externally imposed restrictions on capital.

As at September 30, 2020, the Company's cash were \$1,737,175. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments. In order to continue its operations, the Company will have to find additional financing and despite the fact it has been successful in the past at raising funds, there can be no assurance the Company will be able to secure financing in the future or that these sources of funding will be available. There is a significant risk that the Company will be unable to secure further financing.

Cash Flow Information

CASH FLOW

	September 30 (9 months)	
	2020	2019
Operating activities	\$ (843,887)	\$ (361,945)
Investing activities	\$ 6,439	\$ -
Financing activities	\$ 1,635,814	\$ 578,552
	<u>\$ 798,366</u>	<u>\$ 216,607</u>
Cash	<u>\$ 1,737,175</u>	<u>\$ 284,374</u>

Operations Activities:

During the nine-month period ended September 30, 2020, funds used for operating activities were spent primarily on operations and promotion of the Company.

Investing Activities:

During the nine-month period ended September 30, 2020, investing activities consisted to the receipt of mining tax credits.

Financing Activities:

During the nine-month period ended September 30, 2020, financing activities consisted of the exercise of share purchase options and warrants. The financing activated also consisted in a long-term debt and the issuance of 4,453,569 units at a price of \$0.35 per unit, for gross proceeds of \$1,558,750.

Disclosure of Outstanding Share Capital as at September 30, 2020.

(a) Share Capital

	September 30, 2020		December 31, 2019	
	Number	Amount \$	Number	Amount \$
Balance, beginning of period	29,049,338	29,822,851	13,644,338	28,193,334
Share issuance with warrants ⁽¹⁾⁽⁶⁾⁽⁹⁾	4,453,569	1,231,501	11,275,000	951,053
Share issuance in consideration of exploration and evaluation expenditures ⁽⁴⁾⁽⁷⁾⁽⁸⁾	50,000	7,750	1,500,000	327,500
Warrants exercised ⁽²⁾⁽⁵⁾	395,000	78,176	2,630,000	400,056
Share-based compensation exercised ⁽³⁾	100,000	19,435	-	-
Share issue costs	-	(41,819)	-	(49,092)
Balance, end of period	34,047,907	31,117,894	29,049,338	29,822,851

- (1) On September 29, 2020, the Company issued 4,453,569 units at a price of \$0.35 per unit, for gross proceeds of \$1,558,750. Each unit consists of one common share and one half share purchase warrant. Each warrant entitles its holder to purchase one common share of the Company at \$0.50 for a 24-month period. An amount of \$327,249 was recorded as an increase to warrants.
- (2) In July and August 2020, the Company received \$60,900 following the exercise of 395,000 warrants at a price between \$0.12 and \$0.30 each, in addition to the \$17,276 amount initially recorded and transferred.
- (3) On June 26, 2020, the Company received \$12,000 following the exercise of 100,000 share-based compensation at a price of \$0.12 each. An amount of \$7,435 was recorded as an increase to share-based compensation.
- (4) On February 28, 2020, the Company issued 50,000 common shares pursuant the acquisition of 14 new claims contiguous to the Delta-2 / R-14 property. The total fair value of the common shares issued was \$7,750 (Note 9).
- (5) During the year period ended December 31, 2019, the Company received \$315,600 following the exercise of 2,630,000 warrants at a price of \$0.12 each, in addition to the \$84,856 amount initially recorded and transferred.
- (6) On December 20, 2019, the Company issued 5,075,000 units at a price of \$0.20 per unit, for gross proceeds of \$1,015,000. Each unit consists of one common share and one half share purchase warrant. Each warrant entitles its holder to purchase one common share of the Company at \$0.30 for a 24-month period. An amount of \$236,849 was recorded as an increase to warrants.
- (7) On October 29, 2019 the Company issued 1,000,000 common shares pursuant to the R-14 Property Agreement. The total fair value of the common shares issued was \$240,000 (Note 9).
- (8) On October 16, 2019 the Company issued 500,000 common shares pursuant to the Eureka Property Agreement. The total fair value of the common shares issued was \$87,500 (Note 9).
- (9) On June 10, 2019, the Company issued 6,200,000 units at a price of \$0.06 per unit, for gross proceeds of \$372,000. Each unit consists of one common share and one share purchase warrant. Each warrant entitles its holder to purchase one common share of the Company at \$0.12 for a 36-month period. An amount of \$199,098 was recorded as an increase to warrants.

(b) Warrants

At September 30, 2020, the following exercisable warrants were outstanding:

Warrants	Price	Expiry
2,462,500	0.30	December 20, 2021
3,250,000	0.12	June 10, 2022
2,226,781	0.50	September 29, 2022
7,939,281	0.28	

(c) Broker Warrants

At September 30, 2020, the following exercisable broker warrants were outstanding:

Broker warrants	Price	Expiry
80,000	0.20	December 20, 2021
34,650	0.35	September 29, 2022
114,650	0.25	

(d) Options

At September 30, 2020, the following exercisable stock options were outstanding:

Options	Exercisable	Price	Expiry
100,000	100,000	0.40	July 11, 2021
280,000	280,000	0.32	September 8, 2021
625,000	625,000	0.11	July 4, 2024
200,000	200,000	0.13	July 8, 2024
1,380,000	1,380,000	0.26	July 10, 2025
200,000	200,000	0.40	August 24, 2025
2,785,000	2,785,000		

OFF-BALANCE SHEET ARRANGEMENTS AND COMMITMENTS

The Company has no off-balance sheet arrangements.

Commitments

In October 2020, the Company signed a lease contract for its Chibougamau office, starting January 1, 2021 and expiring in December 31, 2021. Minimum payments, totaling \$30,000, are solely comprised of payments to be made in 2021.

In January 2020, Delta has retained MI3 Communications Financières Inc. ("MI3") to provide communication services on behalf of the Company in Eastern Canada. These services include, but are not limited to, communication of all news releases and information on the Company, including technical notes, posting on social medias, and assisting the Company at PR roadshows across 14 cities in eastern Canada. The agreement is for a period of 12 months and as consideration for these services, the Company has agreed to pay \$36,000 to MI3 in a single payment.

The Company will not required to spend any amount in 2020 to maintain the claims on the properties, due to the exceptional circumstances surrounding the COVID-19 pandemic, the Ministry of Energy and Natural Resources and the Ontario Ministry of Energy, Northern Development and Mine announced the term suspension of all claims currently in force in Québec for a 12-month period effective on April 9th, 2020.

In addition, the Company has the following royalty commitments resulting from past transactions:

- Net profit royalty of 5% on net profits greater than \$250,000 for 4 claims acquired from La Société Minière Colmo.
- NSR of 2% for 26 claims acquired from a prospector in 2010.

RELATED PARTY TRANSACTIONS

During the nine-month period ended September 30, 2020, the Company incurred professional fees in the amount of \$45,000 (2019 - Nil), to 9132-8757 Quebec Inc., a company owned by Frank Candido, the former President (now Chairman and Vice-President of Corporate Communications) of the Company. In relation with these transactions no amount was payable as at September 30, 2020 (2019 - Nil).

During the nine-month period ended September 30, 2020, the Company incurred professional fees in the amount of \$24,351 (2019 - \$18,280), to Nathalie Laurin, the Chief Financial Officer of the Company. In relation with these transactions, \$5,511 was payable as at September 30, 2020 (2019 - \$6,930).

During the nine-month period ended September 30, 2020, the Company incurred professional fees in the amount of \$6,942 (\$4,800 in 2019) and exploration and evaluation expenditures in the amount of \$139,215 (\$25,436 in 2019), to 7529449 Canada Inc., a company owned by Michel Chapdelaine, the Vice President Exploration and Chief Operating Officer of the Company. In relation with these transactions, an amount of \$38,638 was payable as at September 30, 2020 (2019 - \$7,410).

The transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed by the related parties.

The following table reflects the remuneration of key management and directors of the Company:

	September 30, 2020 \$	September 30, 2019 \$
Salaries and fringe benefits	112,043	29,692
Compensation and share-based payments	290,209	86,619
	402,252	116,311

CRITICAL ACCOUNTING ESTIMATES, JUDGMENTS AND ASSUMPTIONS

When preparing its financial statements, management undertakes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgments, estimates and assumptions made by management. Information about critical judgments, estimates and assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses are discussed below.

Judgments

Going concern

The assessment of the Company's ability to execute its strategy by funding future working capital requirements involves judgment. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There is a material uncertainty regarding the Company's ability to continue as a going concern.

Mining properties

Even though the Company has taken steps to verify title to the mining properties in which it holds an interest, in accordance with industry practices for the current stage of exploration and evaluation of such properties, these procedures do not guarantee the validity of the Company's titles. Property titles may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

Impairment of non-financial assets

The Company's evaluation of the recoverable amounts with respect to non-financial assets is based on numerous assumptions and may differ significantly from actual fair values. The recoverable amounts are based, in part, on certain factors that may be partially or totally outside of the Company's control. This evaluation involves a comparison of the estimated recoverable amounts of non-financial assets to their carrying values.

The Company's estimates of recoverable amount are based on numerous assumptions. Those estimates may differ from actual values, and the differences may be significant and could have a material impact on the Company's financial position and results of operations. Assets are reviewed for an indication of impairment at each statement of financial position date and when there are indicators of impairment. This determination requires significant judgment. Factors which could trigger an impairment review include, but are not limited to, significant negative industry or economic trends, interruptions in exploration and evaluation activities and significant drop in commodity prices.

Identification of CGUs

CGUs are defined as the lowest grouping of integrated assets that generate identifiable cash inflows that are largely independent of the cash inflows of other assets or groups of assets. The classification of assets into CGUs requires significant judgement and interpretations with respect to the integration between assets, shares infrastructures, and the way in which management monitors the Company's operations.

Valuation of tax credits and credits on duties

The Company is entitled to tax credits and credits on duties on qualified mining exploration expenses incurred in the province of Québec. Management's judgement is applied in determining whether the mining exploration expenses are eligible for claiming such credits. Those benefits are recognized when the Company estimates it has reasonable assurance that the tax credits will be realized.

Estimates

Estimate of the fair value of share options, warrants and the volatility of the shares

The fair value of each option and warrant granted is estimated at the grant date using the Black-Scholes option pricing model. The estimated life of the share options and warrants at the grant date is based on the legal life of the share options and warrants and the historical exercise pattern of option and warrant holders. Management also estimates the expected forfeitures in calculating the fair value of each option. The expected volatility used to calculate the grant date fair value estimated taking into account the historical volatility of the Company's share price over the expected term of the options granted. Historical volatility is revised whenever facts and circumstances indicate that the historical volatility is no longer appropriate. Such facts and circumstances include but are not limited to the Company entering a new phase of mining activity, the development of new technologies, changes to the financial position of the Company, and when the spread between market participants volatility data, derived from the calculation of the fair value of financial instruments and equity instruments issued by the Company, is significant. If management estimates that historical volatility requires an adjustment, the Company also takes into consideration the historical volatility of comparable companies at similar stages of development as the Company as well as the volatility estimates derived from the fair value calculation of financial instruments and equity instruments in periods when this information is available.

Useful lives of property

The Company estimates the useful life of property based on the period over which the assets are expected to be available for use. The estimated useful life of property is reviewed periodically and is updated if expectations differ from previous estimates due to physical wear and tear and legal or other limits on the use of the relevant assets. In addition, the estimation of the useful life of property is based on management's experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in the estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful life of the property would increase the recorded expenses and decrease the non-current assets. Useful life, depreciation rates and residual values are reviewed at least annually as required by IFRS.

Fair value of financial instruments

The estimated fair value of financial assets and liabilities, by their very nature, are subject to measurement uncertainty.

Income Taxes

Provisions for taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from an audit by taxation authorities, Where the financial outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in such determination is made.

SIGNIFICANT ACCOUNTING POLICIES

The unaudited consolidated condensed interim financial statements have been prepared following the same accounting policies used in the consolidated audited financial statements for the year ended December 31, 2019, unless otherwise specified, please refer to Note 5.

RISKS AND UNCERTAINTIES

Nature of Mineral Exploration and Development Projects

Mineral exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that exploration efforts will continue to be successful. Success in establishing reserves is a result of several factors, including the quality of management, the Company's level of geological and technical expertise, the quality of land available for exploration and other factors. Once mineralization is discovered, it may take several years in the initial phases of drilling until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish proven and probable reserves through drilling, to determine the optimal metallurgical process to extract the metals from the ore and, in the case of new properties, to construct mining and processing facilities.

Because of these uncertainties, no assurance can be given that exploration programs will result in the establishment or expansion of resources or reserves. Whether a resource deposit will ultimately be commercially viable depends on several factors, including the particular attributes of the deposit such as the deposit's size; its proximity to existing infrastructure; financing costs and the prevailing prices for the applicable minerals. Development projects have no operating history upon which to base estimates of future cash operating costs.

Particularly for development projects, resource estimates and estimates of cash operating costs are, to a large extent, based upon the interpretation of geologic data obtained from drill holes and other sampling techniques, and feasibility studies, which derive estimates of cash operating costs based upon anticipated tonnage and grades of ore to be mined and processed, ground conditions, the configuration of the ore body, expected recovery rates of minerals from the ore, estimated operating costs, anticipated climatic conditions and other factors. As a result, it is possible that actual cash operating costs and economic returns could differ significantly from those estimated for a project before production. It is not unusual for new mining operations to experience problems during the start-up phase, and delays in the commencement of production often can occur. The Company's business of exploring for mineral resources involves a variety of operational, financial and regulatory risks that are typical in the natural resource industry. The Company attempts to mitigate these risks and minimize their effect on its financial performance, but there is no guarantee that the Company will be profitable in the future, and the Company's common shares should be considered speculative.

There can be no assurance that any funding required by the Company will become available to it, and if so, that it will be offered on reasonable terms, or that the Company will be able to secure such funding through third party financing or cost sharing arrangements. Furthermore, there is no assurance that the Company will be able to secure new mineral properties or projects, with or without the Share Consolidation, or that they can be secured on competitive terms.

Disclosure controls and procedures

Based on continual evaluations of the Company's disclosure controls and procedures, the Company's Chief Executive Officer and Chief Financial Officer have concluded that, as of September 30, 2020, the design and operation of these disclosure controls and procedures are effective at the reasonable assurance level to ensure that material information relating to the Company would be made known to them by others within the entity, particularly during the period in which the MD&A and the financial statements contained in this report were being prepared.

Internal controls over financial reporting

The Company's Chief Executive Officer and Chief Financial Officer have designed, or have caused to be designed under their supervision, internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS. The Chief executive Officer and Chief Financial Officer concluded that there has been no change in the Company's internal control over financial reporting during the period ended September 30, 2020, that has materially affected, or is reasonably likely to materially affect, the Company's internal controls over financial reporting.