

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the year ended December 31, 2019

DYNASTY GOLD CORP.

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DYNASTY GOLD CORP.

MANAGEMENT'S DISCUSSION & ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2019

INTRODUCTION

This management's discussion and analysis ("MD&A") was prepared as of June 10, 2020 and is management's assessment of Dynasty Gold Corp.'s (the "Company") operating results and financial condition. This MD&A should be read in conjunction with audited annual consolidated financial statements and related notes for the year ended December 31, 2019. The audited consolidated financial statements for the year ended December 31, 2019 are prepared in accordance with International Financial Reporting Standards ("IFRS"). All dollar amounts are expressed in Canadian dollars unless otherwise stated.

Dynasty Gold Corp. is listed on the TSX Venture Exchange under the ticker symbol "DYG" and on the Frankfurt Exchange under the ticker symbol "D5G".

Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

FORWARD-LOOKING STATEMENTS

Certain information included in this discussion may constitute forward-looking statements. Forward-looking statements are based on current expectations and entail various risks and uncertainties. These risks and uncertainties could cause or contribute to actual results that are materially different from those expressed herein or implied. The Company disclaims any obligation or intention to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

COMPANY OVERVIEW

Dynasty Gold Corp. is a Canadian-based, junior company focused on exploring for and developing economically viable mineral resources. The Company's 100% owned Golden Repeat Gold Property is located in Elko County, Nevada, United States.

In February 1, 2018, the Company signed an option agreement with Teck Resources Limited ("Teck") to earn a 100% interest in the Thundercloud Gold Property located on the Central Wabigoon Greenstone Belt in Northwestern Ontario. Please refer to press release dated February 1, 2018 for details of the transaction.

The Company also owns a 70% interest in an operating gold mine; the Hatu Qi-2 in the Xinjiang Province of China. The remaining 30% is owned by Western Region Gold Co. Ltd. (formerly Jinge Gold Mining Ltd.), a 100% owned subsidiary of a State-owned company Xinjiang Non-Ferrous Metal Industry (Group) Ltd. ("XNF"). The Company has spent over US\$12 million in acquisition and development of the Property.

XNF and its subsidiary Western Region Gold Co. Ltd. have included the Hatu Qi-2 gold resource in an IPO listing on the Shanghai Stock Exchange, but without recognizing Dynasty Gold Corp.'s legal rights and interests in the Property. The Company has brought a legal action against the State-owned company Xinjiang Non-Ferrous Metal Industry (Group) Ltd. ("XNF"), and its wholly owned subsidiary Western Region Gold Co. Ltd. in the Xinjiang Supreme Court. Xinjiang Supreme Court has ruled against the Company citing that the resource estimate reports prepared by SRK Canada is not recognized and considered as resource estimate in China. The Company is assessing the situation and is studying its options.

Dynasty's short-term strategy is to explore and develop the two gold properties in North America and continue to evaluate other quality assets to add to its portfolio. Its long-term strategy is to develop these properties into technically feasible and commercially viable producing mines.

As of the date of this MD&A, the Company has not engaged in any production, nor found any proven reserves on its North America properties. The Hatu Qi-2 gold asset hosts a 43-101 compliant resource of 536,000 ounces of gold.

The Company is a reporting issuer in British Columbia and in Alberta.

MINERAL EXPLORATION PROJECTS

NEVADA, USA

Golden Repeat Property

Overview

The Golden Repeat Property consists of 49 claims located on the north slope of the Midas Trough, along the Carlin Trend, within the Northern Nevada Rift. These claims have many geological similarities to gold properties in the well-known Midas Gold District. Hecla Mining Company's Midas Mine lies 18 kilometers (10 miles) east of the Property. The Midas Mine was previously owned by Newmont until February 2014 (3 million oz gold reserves at 31g/t)—an epithermal, bonanza-type gold-silver bearing system. Additionally, major sediment-hosted gold mines are nearby, including Nevada Gold Ventures Ltd.'s Getchell-Twin Creeks-Turquoise Ridge mines and Atna's Pinson Mine lie 15-24 kilometers (8-13 miles) west of the Property. Two distinct targets exist on the Property. One is a volcanic-hosted epithermal occurrence, similar to the Midas Mine gold-silver deposit of Hecla. The other target is for a sediment-hosted gold occurrence underlying Tertiary volcanic rocks. The Property was drilled by Goldfields from 1992 to 1994 and by Romarco in 1997/1998.

On July 30, 2013, the Company acquired a 100% interest in the Property, subject to a 2% NSR. The Company has the option to buy back 75% of the NSR for \$1 million within three years of commencing production. The Company is also required to issue an additional 62,500 common shares if proven gold or gold equivalent reserves exceed 500,000 ounces at commercially viable production grades.

The Company carried out a surface exploration program in July 2011. Its objective was to follow up drill targets identified by Yamana during their work on the Property from 2007 to 2009. Forty-one rock chip samples were taken on the eastern and southern parts of the Property and in adjacent areas peripheral to it. One float sample returned 10 g/t gold. Another sample that carried 1 g/t of gold came from an outcropping vein located near an existing road and drill sites. Dynasty Gold drilled three reverse circulation holes totaling 816 meters to intersect the outcropping Clover vein system and a separate structural target previously proposed by Yamana. The assay results of 576 drill samples were consistent with the previous Romarco and Yamana results in the vicinity. The first hole (DG 1) was drilled to a depth of 304 meters and encountered 0.569 g/t gold over 1.7 meters at 296 meters, and the second hole (DG-2) intercepted similar mineralization but returned no significant gold values.

The third drill hole (DG-3), drilled to 285 meters, hit a well-mineralized zone at the top of a rhyolite formation at 130 meters and intersected 12.2 meters of mineralization that averaged 1.14 g/t gold, 9.0 g/t silver, and 968 ppm arsenic. Within this interval the best intercept was 3.4 g/t gold and 44.6 g/t silver over 1.7 meters. That suggests that the altered rhyolite unit at shallow depth is a favorable target host for the mineralized Midas-style epithermal gold-quartz veins.

On October 8, 2017, the Company renewed the Golden Repeat drill permit by depositing additional bond funds with the Bureau of Land Management (BLM) in Elko County, Nevada, United States. The drill permit was approved by BLM Nevada on November 8, 2017.

Activities during the year ended December 31, 2019

Golden Repeat claims were renewed in August, 2019 and the drill permit extension was approved by the Bureau of Land Management (BLM) in Elko County, Nevada, United States in October, 2019.

ONTARIO, CANADA

Thundercloud Gold Property

Overview

The Company signed an option agreement with Teck Resources Limited ("Teck"), in February 1, 2018, to earn a 100% interest in the Thundercloud Gold Property ("Thundercloud"), located in the central Wabigoon greenstone belt in Ontario. Pursuant to the agreement, the Company has an option to earn up to a 100% interest in the Property by spending \$6,000,000 over five years and by issuing 1,000,000 common shares of the Company to Teck. The first 500,000 common shares were issued on February 26, 2018, the remaining 500,000 common shares were issued on September 20, 2019. The Company was obligated to spend \$300,000 in the first year, but this date has been extended per agreement between the parties. Teck retains a back-in right to earn back a 65% interest in the property. Please refer to press release dated February 1, 2018 and the Company's current financial statement for details of the transaction.

The Thundercloud property geological setting is comparable to the Abitibi belt in Eastern Ontario, but it is much less explored. The Belt contains numerous gold showings, several high grade deposits and historic past gold producers, including the Big Master Mine (1902-1943) and the Laurentian Mine (1906-1909). Exploration results to date indicate excellent potential to define bulk-tonnage orogenic gold mineralization with high-grade potential. Close to 30 million ounces of gold have been discovered in the area in recent years.

The 2,250 hectare Property is located 47 kilometres southeast of Dryden in northwestern Ontario. It is readily accessible from the Trans-Canada Highway (Hwy 17). Dryden is a resource-based city with excellent infrastructure for mining operations. Several large-scale mining and exploration projects in the region include New Gold's Rainy River Mine (6.4 million oz gold and 18.7 million oz silver) and Agnico Eagle's Hammond Reef deposit (5.8 million oz gold).

Two mineralized zones, the Pelham and West Contact, have been identified on the Property. The exploration done by Teck is well documented with supporting databases. Teck and others have completed 10,000 meters of core drilling with majority of the holes drilled in the Pelham Zone. Thundercloud's West Contact Zone is less explored but shows great potential based on an outstanding trench result of 8.02 g/t gold over 39 meters, including 89.4 g/t over 3.0 meters.

Highlights of drill results from historic work including drilling by Teck (2007 and 2008) and Laurentian Goldfields (2011):

- 113.0 m @ 1.72 g/t Au (88-10)
- 60.30 m @ 1.46 g/t Au (88-05)
- 55.25 m @ 2.19 g/t Au (TC08-11), including 1 m @ 37.5 g/t Au, 9.34 m @ 7.91 g/t Au and 21.73 m @ 4.63 g/t Au
- 29.66 m @ 0.77 g/t Au, including 9.04 m @ 2.20 g/t Au (TC08-09)
- 68.8 m @ 1.55 g/t Au (TC11-001)
- 39.0 m @ 1.45 g/t Au (TC11-003)
- 39.05 m @ 1.68 g/t Au (TC11-004)
- 81.0 m @ 1.31 g/t Au (TC11-006)

The highest grade assay sample from historic drilling returned 192.7 g/t gold over 0.55 meters.

In 2011, Fladgate Exploration Consulting was contracted to create a 3D resource model of the historic drill data. The model for the Pelham zone exploration target showed potential for 300,000 ounces of gold at a grade of 1.6 g/t Au using a cut-off grade of 0.5 g/t Au. This initial resource estimate was developed for targeting purposes, and it is not National Instrument 43-101 compliant.

The Company has not independently verified previous data reported in this MD&A.

In early November 2018, a mapping and rock sampling program was completed on the Property. A total of 84 outcrop sites were examined throughout the Property. The West Contact area was the primary focus of the fieldwork, centred on the Glatz outcrop where rock chip samples assay returned 3.03 grams per tonne gold over 30 metres of outcrop in a previous sampling program conducted in the summer of 2018. These results extended gold mineralization from the original 39.0 metres at 8.02 g/t gold to a total of 69 metres. Other areas of interest include mineralization to the south identified by Teck in 2008 where rock chip samples returned up to 9.42 g/t gold as well as locations where previous IP surveying identified high chargeability and resistivity anomalies.

During the program, numerous exposures of moderate to strongly silicified mafic and sedimentary rock lithologies hosting estimated 1% to 5% very fine-grained disseminated pyrite and pyrrhotite were sampled. 64 rock samples were collected and delivered to the ALS laboratory in Thunder Bay for assay and results extended the anomalous area. Highlights of the assay results included a grab sample taken near Trench 3 in the north end of the West Contact zone, a silicified mafic volcanic, that assayed 4.09 g/t Au, indicating gold potential outside of the younger Temiskaming-like sediments. The typical silver and telluride pathfinder elements characteristic of the Western Contact area were also elevated. A sample returning 0.72 g/t Au came from Trench 8 (between the Pelham zone and the West Contact zone) from a sheared felsic unit. A grab sample that assayed 0.61 g/t Au was taken 30 m west of the Glatz outcrop, confirming it as trenching Target Area 1. A grab sample that assayed 0.54 g/t Au was collected from trenching Target Area 2, where historic samples taken by Glatz had assayed 2.10, 7.27 and 6.09 g/t Au. Further work is planned on the structural controls to gold mineralization.

Drill cores from the 2011 drill campaign were identified and inspected.

An area to the west of Glatz outcrop, where IP surveying identified high chargeability and resistivity anomalies, also was ground-checked. The IP anomalies represent strongly silicified interflow sedimentary rocks hosting estimated 4% to 5% fine-grained pyrite and pyrrhotite.

The mapping and prospecting program was to confirm drill targets, verify and extend the known gold mineralization, confirm rock descriptions, and to acquire additional structural data. Drill sites will be confirmed based on geophysics, and previous and current sampling.

In the early summer of 2018, a Property inspection was conducted and followed by a surface sampling program. New rock chip samples collected over the Glatz Outcrop, immediately south of Trench 07-2, returned 3.03 g/t gold over 30 meters of outcrop. This confirms gold mineralization extends from the original Trench 07-2 area which returned 8.02 g/t gold over 39.0 meters for at least another 30 meters to the south and remains open in all directions. Assay results for the grab samples taken in the Trench 07-2 area returned gold grades that are consistent with the 2007 results. Samples were assayed, in the ALS lab in Thunder Bay, Ontario, for 48 elements using the ME-MS 61 package, with 4-acid dissolution.

In the summer of 2018, drill data from 2007, 2008 and 2011 drill campaigns in the Pelham Zone were digitized and cross sections were generated to provide a better understanding of the mineralized zone and its geology. All drill data was collated and combined into one database. A grade shell model of the Pelham Zone was produced with projected northeast plunge mineralization. It was determined that further drilling is required to confirm this hypothesis. Data compilation also included combining geophysical and geochemical data in layered maps to identify targets for follow up.

Activities during the year ended December 31, 2019

The Company continued its effort in data review, exploration program planning and exploration permit application. The Ministry of Energy, Northern Development and Mines (ENDM) has acknowledged receipt of the Company's application for an exploration permit and has sent to the Aboriginal communities for consultation. When granted, the exploration permit will allow drilling on the Property among other activities. At the date of this report, the process is on-going.

MANAGEMENT CHANGES

There were no management changes in the fourth quarter of 2019.

FINANCIAL DATA

Selected Annual Financial Information

The following table sets forth selected financial information for and as of the end of the periods indicated. The Financial Statements may be accessed at www.sedar.com. Readers are encouraged to review the Financial Statements in their entirety.

Fiscal Years Ended December 31

	2019	2018	2017
Interest and other income	\$ 2,575	\$ 2,596	\$ 814
Net loss before other items	(268,085)	(434,584)	(396,214)
Net loss	(273,509)	(415,289)	(395,218)
Net loss per share (basic and fully diluted)	(0.01)	(0.02)	(0.03)
Total assets	\$ 1,142,403	\$ 1,123,373	\$ 794,830

Selected Quarterly Financial Information

The following financial information is derived from the unaudited consolidated interim financial statements:

	December 31, 2019	September 30, 2019	June 30, 2019	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018
Other Items	\$ 635	\$ 727	\$ 487	\$ 726	\$ 753	\$ 602	\$ 829	\$ 412
Net Loss	(62,839)	(79,211)	(66,686)	(64,773)	(99,183)	(85,910)	(121,161)	(109,035)
Net Loss Per Share	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.01)	(0.01)
Total Assets	\$ 1,142,403	\$ 1,260,665	\$ 1,040,965	\$ 1,100,568	\$ 1,123,373	\$ 1,015,040	\$ 960,645	\$ 1,008,870

Results of Operations

During the three months ended December 31, 2019, the Company reported a net loss of \$62,839 or \$(0.00) per share (2018 - \$99,183 or \$(0.00) per share). The decrease in net loss of \$36,344 in comparison to the same period of last year was mainly attributed to the decrease in stock-based compensation of \$29,589, a non-cash item. Reduction in shareholder's communication cost of \$19,233, regulatory transfer fee of \$680, project investigation cost of \$1,000, professional fee of \$2,500 and office expense of \$2,279 was offset by a decrease in foreign exchange gain of \$18,823.

During the year ending December 31, 2019, the Company reported a net loss of \$273,509 or \$(0.01) per share (2018 - \$415,289 or \$(0.02) per share). The decrease in net loss of \$141,780 in comparison to the same period of last year was mainly attributed to the decrease in stock-based compensation of \$141,798, a non-cash item. Reduction in regulatory transfer fee of \$6,604, project investigation cost of \$16,833, professional fee of \$6,738 and office expense of \$4,042 was offset by an increase of shareholder's communication cost of \$9,167 and a decrease in foreign exchange gain of \$25,261. Other operating expenses are in line with corporate activities.

LIQUIDITY AND CAPITAL RESOURCES

As of December 31, 2019, the Company had working capital of \$315,245 which included cash and short-term investments of \$333,618 (2018 - \$396,191 which included cash and short-term investments of \$472,436).

Net cash flow used in operating activities for the three months ended December 31, 2019 was \$116,695 (2018 - \$51,669).

Net cash flow used in operating activities for the year ended December 31, 2019 was \$331,381 (2018 - \$440,113).

Net cash flow provided from financing activities for the three months ended December 31, 2019 was \$Nil (2018 - \$165,135).

Net cash flow provided from financing activities for the year ended December 31, 2019 was \$310,000 (2018 - \$655,000) proceeds from shares issuance.

Net cash flow used in investing activities for the three months ended December 31, 2019 was \$36,723 (2018 - \$38,701), which was related to exploration expenses.

Net cash flow used in investing activities for the year ended December 31, 2019 was \$117,437 (2018 - \$133,567).

SHARE CAPITAL

The following information is provided as at December 31, 2019:

Authorized – unlimited number of common shares without par value.

Issued and outstanding common shares – 25,025,975

Warrants – 1,775,000

Options – 1,325,000

The following information is provided as at June 10, 2020:

Issued and outstanding common shares – 25,025,975

Warrants – Nil

Options – 1,325,000

Share Purchase Warrants

As at December 31, 2019, 1,775,000 purchase warrants are outstanding and exercisable.

As at June 10, 2020, the above purchase warrants were expired.

Finder's Fee Warrants

None

Stock Options

As at December 31, 2019 and as at June 10, 2020, 1,325,000 stock options are outstanding and exercisable.

RELATED PARTY BALANCES AND TRANSACTIONS

Related Party Balances

Included in accounts payable and accrued liabilities is \$14,700 (2018 - \$63,604) due to officer of the Company. The amount is unsecured, non-interest bearing and due on demand.

Key Management Compensation

During the year ended December 31, 2019, the Company accrued and/or paid \$194,800 (2018 - \$192,300) to directors and officers for providing management, accounting and geological consulting services to the Company.

During the year ended December 31, 2019, the Company incurred stock-based compensation expense of \$Nil (2018 - \$101,622) for options granted to the directors and officers of the Company.

OFF BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

CRITICAL ACCOUNTING ESTIMATES AND CHANGES IN ACCOUNTING PRINCIPLES

The Company's accounting policies are presented in Note 2 to the audited annual consolidated financial statements for the year ended December 31, 2019. These accounting policies can have a significant impact on the financial performance and financial position of the Company.

The preparation of the audited annual consolidated financial statements using accounting policies consistent with International Financial Reporting Standards ("IFRS") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), requires management to make estimates and assumptions which affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenue and expenses during the reporting period. Significant areas requiring the use of management estimates relate to determining the recoverability of mineral property interests, environment obligations, the variables used in the determination of the fair value of stock options granted and the determination of the valuation allowance for future tax assets. While management believes the estimates are reasonable, actual results could differ from those estimates and could impact future results of operations and cash flows.

RECENT ACCOUNTING PRONOUNCEMENTS

Refer to Note 3 to the audited annual consolidated financial statements for the year ended December 31, 2019.

MATERIAL PROCEEDINGS

The Company is not a party to any material proceedings.

INTERNAL CONTROL OVER FINANCIAL REPORTING AND DISCLOSURE

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting. Any system of internal control over financial reporting, no matter how well designed, has inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. There have been no changes in the Company's internal control over financial reporting during the year ended December 31, 2019 that have materially affected, or are reasonably likely to materially affect, internal control over financial reporting. The Company has disclosure controls and procedures in place to provide reasonable assurance that any information required to be disclosed by the Company under securities legislation is recorded, processed, summarized and reported within the applicable time periods and to ensure that required information is gathered and communicated to the Company's management so that decisions can be made about timely disclosure of that information. There have been no significant changes in the Company's disclosure controls during the year ended December 31, 2019 that could significantly affect disclosure controls subsequent to the date the Company carried out its evaluation.

RISKS AND UNCERTAINTIES

The Company is subject to a number of risks and uncertainties, the more significant of which are discussed below. Additional risks and uncertainties not presently known to the Company may impact the Company's financial results in the future.

1. Industry

Dynasty is engaged in the exploration for and development of mineral properties, which involves significant risks that even a combination of careful evaluation, experience and knowledge may not eliminate. There is no assurance that the Company's exploration efforts will result in discoveries of commercial mineral deposits.

2. Gold and Metal Prices

The price of gold is affected by numerous factors beyond the control of the Company including central bank sales, producer hedging activities, currency fluctuation, demand, political, economic conditions and production levels. In addition, the price of gold has been volatile over short periods of time due to speculative activities. The prices of other metals and mineral products for which the Company may explore all have the same or similar price risk factors.

3. Cash Flow and Additional Funding Requirements

The Company currently has no revenue from operations. Additional capital would be required to identify and explore property in the future. The sources of funds currently available to the Company are the sale of equity capital. Although the Company presently has sufficient financial resources to undertake project review and evaluation, and the Company has been successful in the past in obtaining equity financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be advantageous to the Company.

4. Exchange Rate Fluctuations

At the present, the Company has an exploration project in the United States. The Canadian dollar has depreciated over ten percent against the US dollar in the last two years. However, the company has converted enough cash into US currency when the exchange rate was more favorable, at par. Therefore, we do not anticipate lower Canadian dollar will have immediate effect on our operation. If the currency trend is to continue and the Company decides to take on a major exploration program, it will affect the Company's cash outflow.

SUBSEQUENT EVENT

Since December 31, 2019, the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operations in future periods.