
Overview

This Management's Discussion and Analysis ("MD&A") of financial results and related data of Goliath Resources Limited ("Goliath" or the "Company") is reported in Canadian dollars and has been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board. To the extent which may be appropriate, this MD&A should be read in conjunction with the condensed interim financial statements for the three months ended December 31, 2019 and December 31, 2018 and the annual audited financial statements for the years ended June 30, 2019 and June 30, 2018. Additional information relating to the Company may be accessed through SEDAR at www.sedar.com.

This commentary is as of February 25, 2020. The reader should be aware that historical results are not necessarily indicative of future performance.

Forward-Looking Statements

This MD&A contains forward-looking information which may include, but is not limited to, statements with respect to the future financial or operating performance of the Company, future plans and objectives, competitive positioning, requirements for additional capital, government regulation of operations, environmental risks and the timing and possible outcome of litigation and regulatory matters. All statements other than statements of historical fact, included in this MD&A that address activities, events or developments that the Company expects or anticipates may occur in the future are forward-looking statements. Often, but not always, forward-looking statements can be identified by use of forward-looking words such as "may", "could", "would", "might", "will", "expect", "intend", "plan", "budget", "scheduled", "estimate", "anticipate", "believe", "forecast", "future" or "continue" or the negative thereof or similar variations. Forward-looking statements are based on certain assumptions and analyses made by the Company, in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors it believes are appropriate in the circumstances.

Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurance that these expectations will prove to have been correct. Readers are cautioned not to put undue reliance on such forward-looking statements, which are not a guarantee of performance and are subject to a number of uncertainties and known and unknown risks, many of which are outside the control of the Company, which could cause actual results to differ materially from those expressed or implied by such forward-looking statements. Important factors which could cause actual results to differ materially from those expressed or implied by such forward-looking statements include, among other things, general business, economic, competitive, political and social uncertainties, the actual results of current operations, industry conditions, research and development activities, intellectual property and other proprietary rights, production risks, liabilities inherent in the mining industry, accidents, labour disputes, delays in obtaining regulatory approvals or financing and general market factors, including interest rates, currency exchange rates, equity markets, business competition, changes in government regulations. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in the forward-looking statements, there may be other factors that cause results to differ from those anticipated. Forward-looking statements contained in this MD&A are made as of the date hereof and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events, results or otherwise, except as required by applicable securities laws.

Business Background

Goliath Resources Limited ("Goliath" or the "Company") was incorporated under the Ontario Business Corporations Act on February 16, 2017. The Company is currently engaged in the acquisition, and exploration of mineral properties in British Columbia. The head office and principal address of the Company is 25 Adelaide Street East, Suite 1614, Toronto, Ontario M5C 3A1.

Option Agreements

On April 18, 2017, Goliath entered into four option agreements ("Options") with J2 Syndicate and J2 Syndicate Holdings (collectively the "Optionors") to acquire a 100% legal and beneficial interest in and to four separate blocks of mineral claims located in British Columbia and individually known as and described as the "Bingo", "Copperhead", "Golddigger" and "Lucky Strike" properties subject to a 3% net smelter returns royalty ("NSR"). Goliath can reduce the NSR from 3% to 2% by paying US\$1,500,000 for each property, no later than April 18, 2022. The agreements were subsequently amended on April 19, May 6, June 8, June 26, September 10, September 22 September 27, 2017, and October 30, 2018.

The Options may be maintained and exercised by Goliath issuing the following securities, making the following cash payments and incurring the following exploration expenses.

	Common shares to purchase option (issued)	Warrants to purchase option (issued)
Bingo	3,000,000	3,000,000
Copperhead	900,000	900,000
Golddigger	3,000,000	3,000,000
Lucky Strike	3,000,000	3,000,000
Total	9,900,000	9,900,000

Cash payments	Effective date April 20, 2017 (paid)	March 30, 2020	March 30, 2021	March 30, 2022	March 30, 2023	Total
Bingo	\$ 75,000	\$ 90,000	\$ 108,000	\$ 129,600	\$ 155,520	\$ 558,120
Copperhead	75,000	90,000	108,000	129,600	155,520	558,120
Golddigger	75,000	112,500	168,750	253,125	379,688	989,063
Lucky Strike	75,000	112,500	168,750	253,125	379,688	989,063
Total	\$ 300,000	\$ 405,000	\$ 553,500	\$ 765,450	\$ 1,070,416	\$ 3,094,366

Exploration expenses	December 15, 2017 (met)	December 31, 2018 (met)	December 31, 2019	December 31, 2020	December 31, 2021	Total
Bingo	\$ 69,960	\$ 122,430	\$ -	\$ 374,942	\$ 656,148	\$ 1,223,480
Copperhead	62,159	108,778	-	333,132	582,981	1,087,050
Golddigger	106,000	185,500	-	568,094	994,164	1,853,758
Lucky Strike	318,920	545,972	-	1,671,487	2,925,102	5,461,481
Among all properties	-	-	1,200,000	-	-	1,200,000
Total	\$ 557,039	\$ 962,680	\$ 1,200,000	\$ 2,947,655	\$ 5,158,395	\$ 10,825,769

Conditions of the Options are as follows:

- Goliath must elect by April 1, 2018 and each subsequent year, to either carry out an exploration program which will result in it

incurring the prescribed exploration expenses for that year by December 15 of that year or terminate the Options. If Goliath makes an election by April 1 and subsequently fails to raise the required funds by May 31 of that year, then the Option may be terminated by the Optionors, or an amount equal to the prescribed exploration budget will become a debt of Goliath, payable to the Optionors on March 31 of the following year.

- To maintain the Options beyond April 1, 2022, Goliath must elect not later than April 1, 2022 to either have a Preliminary Economic Assessment prepared or terminate the Options.
- Each of the four option agreements require Goliath to pay "resource bonuses" to the Optionors in cash and shares as and when NI 43-101 mineral reserves (proven and probable) and mineral resources (measured and indicated) on the properties collectively meet the following equivalent of ounces of gold:
 - i) Cash payment of US\$1,000,000 for 2,000,000 gold equivalent ounces.
 - ii) An additional cash payment of US\$1.00 for every gold equivalent ounce over 2,000,000 gold equivalent ounces.
 - iii) Issuance of 10,000,000 shares (the "J2 Bonus Shares") upon identification of 3,000,000 gold equivalent ounces of NI 43-101 mineral reserves and resources for each property (aggregate of 40,000,000 shares for the four properties).
 - iv) The obligation to issue the "resource bonuses" shall expire on December 15, 2023.
- In the event of termination of the Options, Goliath must perform and pay for all required reclamation work on the property within 24 months of termination and must maintain the property in good standing for a minimum of 12 months after termination. If Goliath fails to fulfill its obligations, it will be indebted to the Optionors for an amount equal to 150% of the costs which it would have incurred to fulfill its obligations.
- Any claims acquired by Goliath within a 20 kilometre area of interest or contiguous to those claims acquired, will become part of the property and subject to the NSR.
- In connection with entering into of the Options, the Company was required to issue that number of additional units of the Company (the "Top-up Units") such that upon the completion of a going public transaction (see note 6), the members of the J2 Syndicate shall hold not less than 25.4% of the number of issued and outstanding shares of the Resulting Issuer.
- Earning exclusive right of first refusals (ROFRs) on each of the DSM Syndicate's Gold Star and Gold Crest properties until March 30, 2020.

On October 11, 2017, the date of completion of the Amalgamation, 5,395,000 Top-up Units valued at \$539,500 were issued. Each unit consisted of one common share and one common share purchase warrant, entitling the holder to acquire an additional common share for \$0.10 for 5 years from the date of issuance. The fair value of the warrants was estimated to be \$248,170 using the Black-Scholes option pricing model based on the following assumptions: expected volatility of 163% which is based on the historical volatility of comparable companies; expected dividend yield of 0%; risk free interest rate of 1.77%; expected life of 5 years and a share price of \$0.06.

The amendment on October 30, 2018 is subject to the following conditions:

- Completing a financing of at least \$1,500,000 of net proceeds (the "Financing Proceeds") prior to March 30, 2019 (completed);
- Providing \$300,000 from the Financing Proceeds for the exploration of the J2 Syndicate's Bullion and/or Eldorado properties (completed), and/or the DSM Syndicate's Gold Crest, Gold Standard and/or Gold Star properties (Goliath already owns a 10% interest in the DSM Syndicate); and
- Executing an agreement with the J2 Syndicate and the DSM Syndicate with respect to the fulfillment of the \$300,000 funding obligation and the grant of the ROFR's mentioned above prior to November 15, 2018 (executed on November 15, 2018).

All excess exploration expenses incurred in the aggregate on the J2 Syndicate's optioned properties from any year, may be carried forward to fulfill Goliath's exploration expenditure commitments in future years. Goliath has currently exceeded its minimum exploration commitments for 2017, 2018 and 2019.

Properties

Lucky Strike Property

The property is 31,511 hectares located in the Ominica and Skeena Mining Divisions in British Columbia. It has logging road access, is only 3 km to a major highway & power, and 40 kilometres north by Highway of major infrastructure in Terrace, BC.

Goliath discovered a large Au-Cu-Mo porphyry system in the latter part of 2018. Three holes were drilled from a single pad at the Lorne Creek Porphyry in August 2019 for a total of 1741 metres to test the mineralization at depth. The exploratory drill program confirmed the presence of Au, Ag, Cu, Mo mineralization within a pyritic alteration zone containing potassic alteration, key textures and geologic units consistent with a porphyry system from the surface and to the bottom of all drill holes; the system remains open. Drill hole LS-19-01 intersected 20.7 meters of 0.39 g/t AuEq, including 3.7m of 1.18 g/t AuEq near surface and Drill hole LS-19-02 intersected 45m of 0.14 g/t Au, 1.35 g/t Ag and 0.05% Cu near surface. The drilling suggest that all three holes intersected a pyritic alteration zone in the porphyry system adjacent to the ore zone (see Lowell & Guilbert, 1970).

2019 Magnetic and Radiometric survey:

A High Resolution Magnetic and Radiometric survey has defined several geophysical anomalies interpreted to be indicative of hitherto unidentified porphyry systems. These new geophysical targets are expected to be developed into multiple future drill targets. Initial observations during field visits over the newly identified magnetic anomalies have identified outcrops containing: 1) 10 disseminated sulfides and veinlets with K-feldspar alteration, 2) chalcopyrite and disseminated pyrite, 3) sphalerite – galena and chalcopyrite bearing quartz veins, and 4) a breccia containing pyrite, chalcopyrite and galena associated with silver, lead and zinc mineralization. The identification of these new aeromagnetic anomalies interpreted to be intrusive porphyry systems associated with K-feldspar alteration, sulfides and silver, lead and zinc mineralization justifies further work at Luckystrike to establish the additional discovery potential at Lorne Creek.

Lorne Creek Au-Cu-Mo Highlights include:

- Discovery, mapping and collection of all samples done by an independent porphyry expert who specializes in the area;
- It is located at the headwaters of the most prolific placer creek in the entire district with a calculated historical production of 13,271 troy ounces of placer gold with nuggets up to 1.5 oz;
- The Lorne Creek Au-Cu-Mo Porphyry is defined by a large 1200 by 700 metre alteration system at surface, that is reflected by a quartz-sericite-pyrite (QSP) core and coincident with Au-Cu-Mo chalcopyrite stockwork with typical porphyry system grades;
- The porphyry centre outcrops are exposed at surface and is where the samples were taken from in situ bedrock;
- There are historic polymetallic porphyry veins in Lorne Creek itself; and
- The Lorne Creek Au-Cu-Mo Porphyry is unique, as it is located within a larger known porphyry belt this primarily only Cu-Mo.

Gold Source Breccia Discovery:

- The newly discovered quartz breccia at the Gold Source Zone occurs as a structural corridor, outcropping locally along strike for 1500 metres by 200 metres wide and remains open. It is located at the SE corner of the Lucky Strike Property and has no historical drilling.
- Assay highlights include:
 - 2017 Grab – Talus 96.80 g/t Au and 78.10 g/t Ag
 - 2018 Grab – Talus 44.40 g/t Au and 39.30 g/t Ag
 - 2018 Chip – Over 2 metres 22.30 g/t Au and 261.0 g/t Ag

The Gold Source Zone is an epithermal, milky quartz hydrothermal breccia and sheeted vein corridor that extends more than 1500 metres along an E-W trend. The corridor is over 200 metres wide and remains open. The trend is highly oxidized with primary sulphide contents ranging typically between 1-5% that are now represented by limonitic voids and boxworks. A total of 4.45 metres of channel sampling was completed; in addition, 13 chips samples and 28 grab samples were taken. Data compilation is ongoing to determine the

geological nature of this vein/breccia system and if it has any spatial links to another nearby porphyry centre, similar to those seen at Lorne Creek.

Hazelton and Quock Formation rocks were mapped at the Kingpin Zone along the far southern part of the property confirming the area has good potential for Eskay Creek style mineralization.

Target Minerals:

The economic target at Lucky Strike is gold, copper and molybdenum within a porphyry system and associated skarn polymetallic veins and gold, silver, copper, lead and zinc within the hydrothermal breccia zone.

Geology Description:

The Lucky Strike property is underlain by Upper Jurassic siliciclastic sedimentary rocks of the Bowser Lake group, locally intruded by Late Cretaceous granite to tonalite stocks. Structurally, the Lucky Strike property resides with the Skeena Arch, a major transverse paleogeographic high in central Stikinia, associated with Eocene plutonism. In arc terranes, transverse structures are considered preferential hosts for porphyry intrusions and mineralization.

Historic Placer Mining:

The 2019 drilling at the Lorne Creek Porphyry took place above the headwaters of the most prolific placer creek in the entire district; Lorne Creek drains eastward. Placer gold was recovered from Lorne which had a calculated production of 13,271 troy ounces reported from the period of 1886 to 1940. The source of the placer gold is believed to be attributed to erosion of local auriferous quartz veins in the surrounding bedrock including sedimentary rocks and granodiorite intrusions (see NI 43-101 filed on Sedar).

Future Exploration & Drilling:

The recommendations for the 2020 exploration and future drill programs at Lorne Creek will be determined once the technical team and management have reviewed in detail the new and updated data set.

Goliath's multi-year permit has been amended to include extensive diamond drilling at both the Lorne Creek Porphyry and Gold Source discoveries.

Copperhead Property

The property is 4,354 hectares located in the Ominica Mining Division. It has logging road access, only 6 km to a major highway & power, and 35 kilometres north by Highway of major infrastructure in Terrace, BC.

The property resides within the Skeena Arch, a belt-scale structural corridor associated with significant porphyry and related mineralization.

Copperhead highlights include:

- Copper King Trend is 350 metres wide by 2,000 metres long defined by highly mineralized grab samples and remains open in all directions.
- 11 metre chip sample returned 0.17 g/t Au, 4.28 % Cu, and 45.41 g/t Ag. The chip sample started and ended in mineralization that remains open.

- 8 metre chip sample returned 0.08 g/t Au, 1.57 % Cu, and 12.45 g/t Ag. The chip sample started and ended in mineralization that remains open. SkyTEM[™] aerial magnetics and electromagnetic data discovered an intense magnetic high and adjacent resistive zone, consistent with a hydrothermal alteration system.

Target Minerals:

The economic target is for copper and silver associated with widespread volcanic breccia outcrops at surface, veins and replacement mineralization proximal to granitic intrusions.

Geology Description:

The Copperhead Property is underlain by Lower Jurassic Telkwa and Eagle Peak volcanic rocks of the Hazelton Group. The volcanic package is intruded by Late Cretaceous granitoids of the Bulkley Plutonic Suite. Structurally, the Copperhead property resides with the Skeena Arch, a major transverse paleogeographic high in central Stikinia, associated with Eocene plutonism.

The property is locally underlain by three separate intrusions which range from oxidized and altered granodiorite with an associated quartz-sericite-pyrite alteration halo to quartz diorite. Mineralization occurs as massive chalcopyrite-bornite-pyrite in veins and as matrix replacement within volcanoclastic horizons.

Chalcopyrite with lesser pyrite and bornite was discovered in quartz veins along or proximal to faults or within alteration zones. The Copper King trend runs parallel to a major regional fault zone that may have acted as a conduit for mineralizing fluids.

Future Exploration:

The Copper King Trend a 2000 x 350 metre area where there is widespread mineralization in breccia outcrops exposed at surface with copper up to 7.97% and over 45 grams per tonne silver. The Company is currently reviewing the merits of the property and will determine shortly whether future exploration is warranted.

Bingo Property

The property is 989 hectares and is located near tidewater and approximately 42 southeast of Stewart, BC. located within the Golden Triangle. It is approximately 19 km north of the former Anyox mining camp where several massive sulphide and gold past producers are documented.

It is also proximal to the unconformity between the Lower Hazelton and Stuhini Group rocks, also known as the "Red Line", a geological boundary proximal to where many world class deposits have been found within the Golden Triangle.

Bingo highlights include:

- The Bingo Main is a zone containing gold mineralized grab, chip and channel samples over an area of 320 metres x 175. The zone is open on surface and to depth
- 83% of all the samples taken contained gold mineralization
- Channel cut over 4.85 metres assayed 1.77 gpt Au, and 0.20 % Cu
- Channel cut over 3.2 metres assayed 1.48 gpt Au and 0.37 % Cu
- 19 chips samples assayed up to 9.79 gpt Au

Target Minerals:

The economic target at Bingo is gold and copper associated with quartz veins and stratabound disseminations of massive sulphides in andesitic volcanics and metasedimentary rocks.

Geology Description:

The Bingo Property is situated at the contact between Jurassic Lower Hazelton volcanic rocks of the Stikinia terrane and Cenozoic granitoids of the Coast Plutonic Complex. The Hazelton group is a favorable host for several deposits in the Anyox mining camp where mineralization consists of massive sulphide bands and lenses within the volcanic rocks.

Future Exploration & Drilling Recommended:

The Bingo Main Zone is a large stratabound horizon that contains gold mineralized grab, chip, and channel samples over an area of 320 x 175 metres and remains open in all directions where 83% of all samples contained gold mineralization up to 9.79 gpt Au. prospecting, geologic mapping, channel cutting, and alteration studies with the goal of delineating bedrock drill targets. The Company is currently reviewing the merits of the property and will determine shortly whether future exploration is warranted.

Golddigger Property

The property is 18,587 hectares and is located near tidewater approximately 37 km southeast of Stewart, BC. located in the Golden Triangle. Its located approximately 24 km north of the former Anyox mining camp where several massive sulphide and gold past producers are documented. The mineral claims are located at the headwaters of Hastings Arm in Observatory Inlet in the Skeena Mining Division in British Columbia. The Golddigger Property is located approximately 24 km north of the former Anyox mining camp where several massive sulphide and gold past producers are documented.

The property is also within two kilometres of the unconformity between Lower Hazelton and Stuhini rocks, also known as the "Red Line" a geological boundary proximal to where many world class deposits are found within the Golden Triangle and is proximal to the Homestake Ridge deposit and Dolly Varden Silver mine.

Target Minerals:

The economic target at Golddigger is gold and silver associated with quartz veins in intrusive rocks.

Geology Description:

The Golddigger Property is underlain mainly by Eocene age granitic rocks of the Coast Plutonic Complex. Jurassic age andesitic volcanics and sediments of the Hazelton Group occur on the east side of the property. Polymetallic quartz veins in silicified granitic rocks occur widely on the property.

Future Exploration & Recommendations:

The 2019 focus was on the newly discovered Sure Bet Zone and Gold Swarm Zone.

The Sure Bet Zone is a newly discovered high-grade polymetallic gold zone that measures 1550m by 1130m and remains open in all directions. Encompassed within a 4 sq km area demarked by a series of several NW - SE trending faults that host high grade polymetallic massive sulphides in the structures and stratigraphy. These fault structures have been observed to be up to 1500m long and 40m wide. The inaugural test channel cut in 2019 on the discovery outcrop assayed 7.37 g/t AuEq over 8.4 meters including 3.4 meters of 17.68 g/t AuEq and 0.4 meters of 102.16 g/t AuEq true width. The channel started and ended in the hazelton sediments that assayed 2.15 g/t Au and 1.44 Au respectively confirming that the polymetallic gold zone remains open in all directions.

The Gold Swarm Zone is a large breccia zone 115 x 95 metres that remains open in all directions where various samples assayed up to 21.1 gpt Au, 214 gpt Ag, 3.23% Pb and 0.26% Cu. Red Line Corridor Zone was also the focus this year, where there are multiple breccias at surface with samples assaying from 1.25 g/t Au up to 113.50 g/t Au, and from 14.30 g/t Ag up to 272.0 Ag.

Recommendations in 2020 at the Golddigger Property is to advance the Sure Bet Zone through extensive mapping, sampling and channel cutting for a possible drill program the following year.

DSM Syndicate

The Company purchased a 10% interest in the DSM Syndicate in 2017. This private company was formed to pool geological knowledge and expertise relating to certain properties identified in an area in northwestern British Columbia. It has staked a total of six properties and is marketing these properties with the intention to option or sell the interests. This would provide Goliath with 10% of all cash and/or shares when any transactions are completed. Their 2019 third pass exploration program is fully funded that included prospecting, geologic mapping, channel cutting, and alteration studies with the goal of delineating bedrock drill targets. Assays, geochemistry, and alteration study results are pending on both projects and will be reported when they have been received, compiled, and interpreted. The Company holds the right of refusal option on the Goldstar and Goldcrest properties until March 30, 2020.

The properties are:

- Goldcrest
- Goldstandard
- Goldstar
- Money
- Newstrike
- Skyhigh

Additional Disclosure for Venture Issuers Without Significant Revenue

During the quarter ended December 31, 2019 and 2018, the Company incurred the following exploration and evaluation expenditures:

	2019	2018
Option payments	nil	nil
Transportation	72,011	83,925
Imagery	5,335	4,520
Field work exploration	nil	46,785
Supplies	818	6,541
Airborne geophysical survey	5,335	90,460
Staking Cost	5,260	nil
Laboratory and analysis	101,370	58,426
Reports	41,336	39,896
Travel and accommodation	nil	7,613
Geology	7,500	1,310
Project management	7,815	57,477
Drilling	nil	59,656
	\$ 236,445	\$ 456,609

Results of Operations

Quarterly data	2020		2019				2018	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Net income (loss)	(306)	(1426)	(532)	(213)	(635)	(1688)	(888)	(152)
Basic income (loss) per share	0.00	(0.01)	0.00	0.00	(0.01)	(0.02)	(0.01)	0.00

Goliath did not have any revenue for the quarter ended December 31, 2019.

Costs and Expenses

Costs and expenses for the period ended December 31, 2019 were \$374,456 (2018 - \$635,051) and included the following categories: exploration and evaluation expenditures of \$236,445, consulting and professional fees, administration expenses, investor relations and regulatory fees, totalling \$138,011.

Loss

Goliath had a net loss of \$306,456 or \$0.00 per common share common share for the quarter ended December 31, 2019, compared to a loss of \$635,051 for the quarter ended December 31, 2018.

Liquidity

Goliath has financed its operations by the issuance of common shares. The Company presently has no debt or other operating credit facilities. Goliath had working capital of \$41,065 and cash of \$112,919 as at December 31, 2019. Further financing will be required for working capital and exploration expenditures. Please see subsequent event.

Capital Resources

Goliath has no sources of revenue. The availability of equity capital, and the price at which additional equity could be issued, will be dependent upon the success of Goliath's exploration activities, and upon the state of the capital markets generally. Additional financing may not be available on terms favourable to Goliath or at all.

Off-Balance Sheet Arrangements

Goliath does not have any off-balance sheet arrangements.

Related party transactions

Related parties include the Board of Directors, officers, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions. Remuneration of key management of the Company was as follows:

Three Months Ended
 December 31,

	2019	2018
Consulting fees ⁽¹⁾	\$ 58,500	\$ 52,500

(1) Consulting fees paid to the Chief Executive Officer and Chief Financial Officer for their services.

(2) Included in accounts payable and accrued liabilities are amounts owing to officers of \$2,765 as at December 31, 2019 (June 30, 2019 - \$11,413). This balance is unsecured, non-interest bearing and due on demand.

Flow-through commitment

The Company is obligated to spend \$330,000 by December 31, 2020. The flow-through agreements require the Company to renounce certain tax deductions for Canadian exploration expenditures incurred on the Company's mineral properties to flow-through participants. The Company indemnified the subscribers for any related tax amounts that become payable by the subscribers as a result of the Company not meeting its expenditure commitments

Commitments and Contingencies

The Company's exploration activities are subject to government laws and regulations, including tax laws and laws and regulations governing the protection of the environment. The Company believes that its operations comply in all material respects with all applicable past and present laws and regulations. The Company records provisions for any identified obligations, based on management's estimate at the time. Such estimates are, however, subject to changes in laws and regulations.

Forward Looking Information (additional disclosure)

The following information provides further clarification with respect to the Company's forward-looking information.

Forward-looking statements	Assumptions	Risk factors
Potential of the Company's properties to contain gold deposits	Financing will be available for future exploration and development of the Company's properties; the actual results of the Company's exploration and development activities will be favourable; operating, exploration and development costs will not exceed the Company's expectations; the Company will be able to retain and attract skilled staff; all requisite regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to the Company, and applicable political and economic conditions are favourable to the Company; the price of gold and applicable interest and exchange rates will be favourable to the Company; no title disputes exist with respect to the Company's properties	Gold price volatility; uncertainties involved in interpreting geological data and confirming title to acquired properties; the possibility that future exploration results will not be consistent with the Company's expectations; availability of financing for and actual results of the Company's exploration and development activities; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic and political conditions; the Company's ability to retain and attract skilled staff

<p>The Company's ability to meet its working capital needs at the current level for the twelve-month period ending June 30, 2020</p> <p>The Company expects to incur further losses in the development of its business</p> <p>Should the Company not raise sufficient capital, it may cease to be a reporting issuer</p>	<p>The operating and exploration activities of the Company for the twelve-month period ending June 30, 2020, and the costs associated therewith, will be consistent with the Company's current expectations; debt and equity markets, exchange and interest rates and other applicable economic conditions are favourable to the Company</p>	<p>Changes in debt and equity markets; timing and availability of external financing on acceptable terms; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic conditions</p>
<p>The Company's ability to carry out anticipated exploration on its property interests</p>	<p>The exploration activities of the Company for the twelve-month period ending June 30, 2020, and the costs associated therewith, will be consistent with the Company's current expectations; debt and equity markets, exchange and interest rates and other applicable economic conditions are favourable to the Company</p>	<p>Changes in debt and equity markets; timing and availability of external financing on acceptable terms; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic conditions; receipt of applicable permits</p>
<p>Plans, costs, timing and capital for future exploration and development of the Company's property interests, including the costs and potential impact of complying with existing and proposed laws and regulations</p>	<p>Financing will be available for the Company's exploration and development activities and the results thereof will be favourable; actual operating and exploration costs will be consistent with the Company's current expectations; the Company will be able to retain and attract skilled staff; all applicable regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to the Company; the Company will not be adversely affected by market competition; debt and equity markets, exchange and interest rates and other applicable economic and political conditions are favourable to the Company; the price of gold will be favourable to the Company; no title disputes exist with respect to the Company's properties</p>	<p>Gold price volatility, changes in debt and equity markets; timing and availability of external financing on acceptable terms; the uncertainties involved in interpreting geological data and confirming title to acquired properties; the possibility that future exploration results will not be consistent with the Company's expectations; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic and political conditions; the Company's ability to retain and attract skilled staff</p>
<p>Management's outlook regarding future trends</p>	<p>Financing will be available for the Company's exploration and operating activities; the price of gold will be favourable to the Company</p>	<p>Gold price volatility; changes in debt and equity markets; interest rate and exchange rate fluctuations; changes in economic and political conditions</p>

Prices and price volatility for gold	The price of gold will be favourable; debt and equity markets, interest and exchange rates and other economic factors which may impact the price of gold will be favourable	Changes in debt and equity markets and the price of diamonds; interest rate and exchange rate fluctuations; changes in economic and political conditions
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Significant Accounting Policies

Significant Accounting Judgments and Estimates

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The financial statements include estimates, which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values, include, but are not limited to:

(i) Assets' Carrying Values and Impairment Charges

In the determination of carrying values and impairment charges, management looks at the higher of recoverable amount or fair value less costs to sell in the case of assets and at objective evidence, significant or prolonged decline of fair value on financial assets indicating impairment. These determinations and their individual assumptions require that management make a decision based on the best available information at each reporting period.

(ii) Income, Value Added, Withholding and Other Taxes

The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

(iii) Decommissioning, restoration and similar liabilities

Decommissioning, restoration and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements and constructive obligations and are measured at fair value. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the mine. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities.

(iv) Share-based Payments

Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviours and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

Recent accounting pronouncements

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after July 1, 2019. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

(i) IAS 1 – Presentation of Financial Statements (“IAS 1”) and IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors (“IAS 8”) were amended in October 2018 to refine the definition of materiality and clarify its characteristics. The revised definition focuses on the idea that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments are effective for annual reporting periods beginning on or after January 1, 2020. Earlier adoption is permitted.

(ii) IFRS 16 – Leases (“IFRS 16”) was issued in January 2016 and replaces IAS 17 – Leases as well as some lease related interpretations. With certain exceptions for leases under twelve months in length or for assets of low value, IFRS 16 states that upon lease commencement a lessee recognises a right-of-use asset and a lease liability. The right-of-use asset is initially measured at the amount of the liability plus any initial direct costs. After lease commencement, the lessee shall measure the right-of-use asset at cost less accumulated depreciation and accumulated impairment. A lessee shall either apply IFRS 16 with full retrospective effect or alternatively not restate comparative information but recognise the cumulative effect of initially applying IFRS 16 as an adjustment to opening equity at the date of initial application. IFRS 16 requires that lessors classify each lease as an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Otherwise it is an operating lease. IFRS 16 is effective for annual periods beginning on or after January 1, 2019.

Risk Factors relating to Goliath

Goliath's common shares should be considered highly speculative due to the nature of Goliath's business and the present stage of its development. For a more complete listing of the risk factors relating to Goliath, please refer to the Companies MD&A for the year ended June 30, 2019.

Share Capital

As at the date of this MD&A, there are 120,410,140 common shares outstanding, 47,701,635 warrants outstanding at an exercise price of between \$0.10 and \$0.30 per share and 11,036,390 stock options outstanding at an exercise price of between \$0.09 and \$0.21 per share.

Trends

Goliath is not aware of any trend, commitment, event or uncertainty that is reasonably expected to have a material effect on Goliath's business, financial condition or results of operations as of the date of this MD&A, except as otherwise disclosed herein or except in the ordinary course of business.

Subsequent Event

On February 27, 2020 the Company announced that, it has filed articles of amendment, effective March 2, 2020, to effect the share consolidation of its issued and outstanding common shares on the basis of one (1) post-Consolidation Common Share for every fifteen (15) pre-Consolidation Common Shares.

The Common Shares are expected to commence trading on the TSX Venture Exchange on a post-Consolidation basis on the opening of trading on March 2, 2020.

The upcoming share consolidation is not reflected in this MD&A