

## 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, 2020 and December 31, 2019 and the audited financial statements for the periods ended June 30, 2020 and 2019. Additional information relating to the Company may be accessed through SEDAR at [www.sedar.com](http://www.sedar.com).

This commentary is as of February 25, 2021. 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 82 Richmond Street East, Toronto, Ontario M5C 1P1.

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 "Luckystrike" 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 December 31, 2027. The agreements were subsequently amended on April 19, May 6, June 8, June 26, September 10, September 22, September 27, 2017, October 30, 2018 and April 14, 2020.

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 (c)	200,000	200,000
Copperhead (c)	60,000	60,000
Golddigger	200,000	200,000
Luckystrike	200,000	200,000
Total	660,000	660,000

Cash payments	Effective date April 20, 2017 (paid)	March 30, 2020 (paid)	March 30, 2021	March 30, 2022	March 30, 2023	Total
Bingo (c)	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 75,000
Copperhead (c)	75,000	-	-	-	-	75,000
Golddigger	75,000	112,500	168,750	253,125	379,688	989,063
Luckystrike	75,000	112,500	168,750	253,125	379,688	989,063
Total	\$ 300,000	\$ 225,000	\$ 337,500	\$ 506,250	\$ 759,376	\$ 2,128,126

Exploration expenses	December 15, 2017 (met)	December 31, 2018 (met)	December 31, 2019 (met)	December 31, 2020	December 31, 2021	Total
Bingo (c)	\$ 69,960	\$ 122,430	\$ -	\$ -	\$ -	\$ 192,390
Copperhead (c)	62,159	108,778	-	-	-	170,937

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Golddigger	311,881	545,972	-	200,000	400,000	1,457,853
Luckystrike	311,881	545,972	-	-	400,000	1,257,853
Among Golddigger and Luckystrike properties	-	-	1,200,000	-	-	1,200,000
<b>Total</b>	<b>\$ 755,881</b>	<b>\$ 1,323,152</b>	<b>\$ 1,200,000</b>	<b>\$ 200,000</b>	<b>\$ 800,000</b>	<b>\$ 4,279,033</b>

(a) Conditions of the Options are as follows:

Goliath must elect by April 1 of 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.

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:

Cash payment of US\$1,000,000 for 2,000,000 gold equivalent ounces.

An additional cash payment of US\$1.00 for every gold equivalent ounce over 2,000,000 gold equivalent ounces.

Issuance of 10,000,000 common shares of Goliath for 2,000,000 gold equivalent ounces.

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.

Earning exclusive right of first refusals (ROFRs) on each of the DSM Syndicate's Gold Star and Gold Crest properties which expired March 30, 2020.

(b) The amendment on October 30, 2018 was 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, 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).

(c) On March 3, 2020, the Company terminated the property option agreements to acquire the Bingo and Copperhead properties.

(d) On April 14, 2020, the Company entered into two separate amendment agreements (the "Amendments") with the Optionors, whereby the parties have agreed to further amend the terms of Goliath's Options on the Golddigger property and Luckystrike property. The main terms of the Amendments are as follows:

Goliath will deposit, on/or before April 29, 2020, \$200,000 with the J2 Syndicate from the sale and distribution of shares, warrants and/or other securities of the Goliath by way of a private placement (completed - see note 10(b)(vi)), to be spent on the Golddigger property.

Goliath will commit to deposit a total of \$800,000 to be spent on or before March 31, 2021 on the Luckystrike and/or Golddigger properties;

If Goliath incurs aggregate exploration expenses between January 1, 2020 and December 31, 2023 of \$6,000,000 on each Property and delivers a NI 43-101 technical report which includes a resource calculation of gold equivalent mineral reserves (proven and probable) and gold equivalent mineral resources (measured, indicated and inferred categories) on the properties by December 31, 2024; then Goliath can earn an initial 49% interest in the Properties; and

If Goliath incurs aggregate exploration expenses between January 1, 2024 and December 31, 2026 of at least \$8,000,000 on each property and delivers a NI 43-101 technical report which includes a resource calculation of gold equivalent mineral reserves (proven and probable) and gold equivalent mineral resources (measured, indicated and inferred categories) on the Property by December 31, 2027 Goliath will own the remaining 51% interest in the Property, representing a 100% ownership interest in the Property subject to the royalties reserved to the Optionors.

The Amendments are subject to:

Goliath issuing to the Optionors a total of 3,900,000 units at a price of \$0.10 per unit ( the "Consideration Units"). Each Consideration Unit will consist of one common share and one common share purchase warrant (a "Consideration Warrant") with each Consideration Warrant exercisable for a period of five years from the date of issuance at an exercise price of \$0.15 per share. On April 29, 2020, the Company issued the 3,900,000 Consideration Units to members of the J2 Syndicate. The fair value of the 3,900,000 warrants was estimated as \$186,617 using the Black-Scholes option pricing model. The following weighted average assumptions were used: risk-free interest rate - 0.41%; expected volatility - 175% which is based on the historical volatility of the Company's shares; expected dividend yield - nil; share price of \$0.05 and expected life - 5 years.

The value of the Consideration Units shall be applied against certain cash property payments required under the Options.

(e) On December 29, 2020, the Company amended terms for its Luckystrike property. All future cash property payments totalling \$719,313, plus \$14,000,000 of minimum work commitments and a NI 43-101 technical report which would include any resources calculation of gold equivalent minerals delivered by December 31, 2027 to earn 100% of the property have been removed entirely. In its place, the Company has issued 1,300,000 shares and 1,300,000 warrants exercisable at a price of \$0.22 for a period of 60 months to immediately earn a 49% interest in the property. To earn 100%, Goliath will need to spend a minimum of \$5,000,000 in drilling on or before December 31, 2029 and deliver a NI 43-101 technical report which would include any resources calculation of gold equivalent minerals by December 31, 2030. In addition, the 1% NSR buy back provision date has been moved from December 31, 2027 to December 31, 2029.

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

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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. The Lorne Creek Au-Cu-Mo Porphyry had its inaugural exploratory drilling program in August 2019 to test the mineralization to depth. Three holes were drilled for a total of 1741 metres and 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); system remains open.

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;
- 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 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 as a new discovery by Goliath.
- 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.

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 Lorne Creek Porphyry drill target at the Lucky Strike Property is situated at the headwaters of the most prolific placer creek in the entire district; Lauren 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 Recommended:

The focus and recommendations for the 2021 exploration program at the Lorne Creek Au-Cu-Mo Porphyry will be determined in calendar Q1 2021.

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

Effective March 3, 2020, the Company terminated its property option agreement to acquire the Copperhead Property.

#### Bingo Property

Effective March 3, 2020, the Company terminated its property option agreement to acquire the Bingo Property.

#### Golddigger Property

The Golddigger property covers 23,858.51 hectares (59,646 acres) and is located on tide water 30 kilometers south east of Stewart BC in the Golden Triangle and only 7km West of the Dolly Varden Mine access road providing for cost effective exploration.

The newly discovered Surebet Zone is located ~8 kilometers S.W. of Fury Gold Mines' Homestake Ridge property which is a high-grade gold-silver deposit that contains 982,700 oz of gold @ 4.99 g/t gold and 19,600,000 oz of silver @ 97.7 g/t silver, with drill intercepts of up to 73 meters of 21 g/t gold and 12 g/t silver (source – Auryn Resources' PEA & Website).

The Surebet Zone is characterized by a series of NW-SE trending faults that occurs within a package of highly folded and faulted Hazelton group sediments. Lidar imagery, drone imagery, and field observations have identified several additional paralleling faults within close proximity to the newly discovered Surebet Zone. Geochemical analyses confirmed high-grade gold-silver polymetallic mineralization within these structures that will be followed up on in late August and early September 2020.

Mineralization within the Surebet Zone consists of structurally controlled zones of massive sulphide containing Galena, Sphalerite and Pyrite. These lenses occur within broad alteration halos of silica flooded sediments which also contain polymetallic mineralization.

The Surebet Zone is on the eastern side of the Golddigger property and is underlain by coarse clastic sedimentary rocks of the Stuhini Group that are unconformably overlain by inter-fingered volcanics as well as sedimentary rocks of the Hazelton Group. This contact is known as the 'Red Line' and thought to be a key marker in the Golden Triangle when exploring for significant mineralizing systems. The Surebet Zone is located within the Hazelton group sedimentary rocks.

The Golddigger property lies within the Stikine Volcanic Arc, including the Eskay Rift and Red Line. Structurally controlled, gold and silver bearing mineralization in these stratabound horizons is preferentially delineated in a NW-SE orientation.

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.

#### 2020 Results

Multiple high-grade polymetallic gold-silver targets have been identified along 1 kilometer (1000 meters) of strike, a half a kilometer (500 meters) of vertical relief which has an average true width of 9.33 meters assaying 10.66 gpt gold equivalent (AuEq) and 7.58 grams per tonne gold (gpt Au) based on channel samples taken and remains open. It also has 1 kilometer (1000 meters) of inferred down dip that ends in a 40.75 gpt equivalent (AuEq) grab sample that was taken from bedrock. The high-grade polymetallic gold-silver mineralization is contained within a broad alteration halo of strongly silicified Hazelton Group sediments up to 43.5 meters wide containing mineralization assaying less than 0.5 gpt AuEq.

Future Exploration & Recommendations:

Lidar imagery, drone imagery, and field observations have identified several additional paralleling faults within close proximity to the newly discovered Surebet Zone. Geochemical analyses confirmed high-grade gold-silver polymetallic mineralization within these structures that were followed up on in August and September 2020. A series of extensive channel cuts were taken to test the dissemination of mineralization with the goal of delineating bedrock drill ready targets for 2021. These drill ready targets are contained within a shear zone that is exposed at surface for 1 kilometer (1000 meters) where 10 or more targets are planned to be tested in the inaugural 2021 drill program. Currently there is a 4,600 metre drill program expected to commence Q2 of the calendar 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. To date, Goliath has received a total of \$25,000 in cash, 250,000 shares and 250,000 warrants in Juggernaut Exploration Ltd. from them optioning the Goldstandard property.

The properties are:

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

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Nelligan Project – Quebec (Acquisition completed August 10, 2020)

Goliath completed the acquisition of six (6) significant mineral claim blocks (the "Claims") totalling 391 mineral claims for 340km<sup>2</sup>, now under Goliath's Nelligan East Project and Nelligan West Project (the "Nelligan Projects" or the "Projects") (see news July 9, 2020) . The Projects are located in the northeastern Chibougamau-Chapais Mining Camp of the Abitibi Greenstone Belt. The Region is known for its historic gold and copper production, and has recently seen an increase in mineral exploration following the discovery of new gold mineralization, such as IAMGOLD/TomaGold with the Monster Lake (1.11 million tonnes grading 12.14 g/t gold for 433,000 ounces of gold; IAMGOLD, 2018) and IAMGOLD/Vanstar with the Nelligan gold deposits.

Over 200M ounces of gold has been extracted from the Abitibi Greenstone Belt. Goliath's Nelligan Project (East and West Claim Blocks) is predicated on the easterly and westerly extensions of the prospective gold-bearing Guercheville Deformation Zone and its subsidiary faults located at the south end of the Chapais-Chibougamau Mining Camp. The Break hosts a number of gold deposits and occurrences as well as one past producing mine.

Target Minerals:

The economic target at Nelligan is gold and silver.

Geology Description:

The Camp hosts east-west trending mafic volcanics or basalts, felsic volcanics or pyroclastics and volcanoclastics, sedimentary rocks and major intrusive complexes, all intruded by gabbro sills and dykes. The sedimentary rocks and gabbros hosts the Nelligan-style of mineralization (the "Nelligan Trend"). Major faults intersect all rock types and consists of four (4) groups based on their direction: east-west, southeast, northeast and north-northeast trending faults. The east-west and northeast-southwest trending Break cuts the Nelligan Project. The Break is similar to the Larder-Cadillac and Destor-Porcupine Deformation Zone where most of the gold mineralization occurs in the southern portion of the Abitibi Greenstone Belt. The Break reaches up to 1 km wide and is characterized by shearing and carbonate-sericite-rich alteration.

Future Exploration & Recommendations:

The Stage 1 Program follows an initial digital compilation and synthesis of all the historic work on the Nelligan Project and will now be followed up with field reconnaissance work that will consist of prospecting, geological mapping, rock sampling and analysis. The six (6) claim blocks forming the Projects may be covered by an airborne magnetic and EM survey to complement earlier government and company airborne surveys done in the area. The geophysical surveys will be merged into a single database along with any ground geophysical surveys, especially IP, and the prospecting data for eventual drill target identification.

Additional Disclosure for Venture Issuers Without Significant Revenue

During the quarter ended December 31, 2020 and 2019, the Company incurred the following exploration and evaluation expenditures:

	2020	2019
Option payments	1,099,800	nil
Transportation	164	72,011

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Field work exploration	101,425	nil
Supplies	nil	818
Airborne geophysical survey	10,609	5,335
Staking Cost	nil	5,260
Laboratory and analysis	40,716	101,370
Reports	47,325	41,336
Travel and accommodation	11,601	nil
General exploration expenses	46,782	5,335
Geology	nil	7,500
Project management	15,000	7,815
Drilling	nil	nil
	<b>\$ 1,014,239</b>	<b>\$ 236,445</b>

Results of Operations

Key Financial Data and Comparative Figures(\$ 000's)		
	31-Dec 2020	30-Jun 2020
Net Loss	3,502	2,486
Balance Sheet		
Cash	3,103	26
Working capital (deficit)	3,304	311
Capital assets	0	0
Total assets	3,376	612
Shareholders' equity (deficiency)	3,304	311
Basic loss per share	0.13	0.26
Weighted average number of shares outstanding - basic and diluted (000's)	30,485,600	9,429,559

Quarterly data	2021		2020			2019		
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3

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Net income (loss)	(1988)	(1515)	(550)	(204)	(306)	(1426)	(532)	(213)
Basic income (loss) per share	(0.07)	(0.06)	(0.04)	(0.03)	(0.04)	(0.19)	(0.07)	(0.03)

Goliath did not have any revenue for the three months ended December 31, 2020.

**Expenses**

Expenses for the quarter ended December 31, 2020 were \$1,987,728 (2019 - \$306,456) and included the following categories: exploration and evaluation expenditures of \$1,373,421, consulting and professional fees, administration expenses, investor relations and regulatory fees, totalling \$643,279.

**Loss**

Goliath had a net loss of \$1,987,728 or \$0.07 per common share for the quarter ended December 31, 2020, compared to a loss of \$306,456 for the period ended December 31, 2019.

**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 \$3,303,707 and cash of \$3,102,816 as at December 31, 2020. Further financing will be required for working capital and exploration expenditures.

**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:

	<b>Three Months Ended December 31,</b>		<b>Six Months Ended December 31,</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
Consulting fees <sup>(1)</sup>	\$ 60,500	\$ 58,500	\$ 119,000	\$ 117,000
Share-based payments	\$ 447,652	\$ -	\$ 757,337	\$ -

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

<sup>(2)</sup> Included in accounts payable and accrued liabilities are amounts owing to officers of \$nil as at December 31, 2020 (June 30, 2020 - \$2,337). This balance is unsecured, non-interest bearing and due on demand.

#### Commitments and Contingencies

##### Environmental obligations

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.

##### Flow-through commitments

The Company is obligated to spend \$924,195 by December 31, 2021. 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.

##### Management commitments

The Company is subject to management contracts with certain executive officers that provide for payments under circumstances involving a change of control of Goliath or termination of the officer's services. As at December 31, 2020, these contracts require that additional payments of approximately \$540,000 be made upon the occurrence of a change of control. The minimum commitment upon termination of these contracts is approximately \$246,000. As a triggering event has not taken place, the contingent payments have not been reflected in these unaudited condensed interim financial statements.

#### 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	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

	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	
The Company's ability to meet its working capital needs at the current level for the twelve-month period ending December 31, 2021. The Company expects to incur further losses in the development of its business  Should the Company not raise sufficient capital, it may cease to be a reporting issuer	The operating and exploration activities of the Company for the twelve-month period ending December 31, 2021, 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	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
The Company's ability to carry out anticipated exploration on its property interests	The exploration activities of the Company for the twelve-month period ending December 31, 2021, 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	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
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	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	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

	Company's properties	
Management's outlook regarding future trends	Financing will be available for the Company's exploration and operating activities; the price of gold will be favourable to the Company	Gold price volatility; changes in debt and equity markets; interest rate and exchange rate fluctuations; changes in economic and political conditions
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

#### Significant Accounting Policies

For a complete listing of the Companies significant accounting policies please refer to the Companies MD&A for the year ended June 30, 2020.

#### 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, 2020.

#### Share Capital

As at the date of this MD&A, there are 39,160,299 common shares outstanding, 29,420,185 warrants outstanding at an exercise price of between \$0.15 and \$3.00 per share and 3,805,665 stock options outstanding at an exercise price of between \$0.14 and \$0.47 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 Events

(i) Subsequent to December 31, 2020, the Company issued 1,109,645 common shares from the exercise of warrants for gross proceeds of \$270,455.

(ii) On January 6, 2021, the Company announced that it has adopted a shareholder rights plan (the "Rights Plan"). The purpose of the Rights Plan is to provide protection for the shareholders and Board of Directors with adequate time to consider and evaluate any

unsolicited bid and to provide the Board of Directors with adequate time to identify, develop and negotiate value-enhancing alternatives, if considered appropriate, to any such unsolicited bid.

The Rights Plan has been conditionally accepted by the TSXV and is effective as of December 11, 2020 (the "Effective Date"). At the close of business on the Effective Date, one right (a "Right") will be issued and attached to each Common Share outstanding at that time. A Right will also be attached to each Common Share issued after the Effective Date. The issuance of the Rights will not change the manner in which shareholders trade their Common Shares. If the Rights Plan is not ratified by shareholders at the upcoming annual and special meeting to be held within the next six months, the Rights Plan and all Rights outstanding at that time will terminate. If the Rights Plan is ratified by shareholders at such meeting, the Rights Plan will be in effect until the termination of the Company's annual meeting in 2024 unless reapproved by shareholders at that time.

(iii) On February 10, 2021, the Company announced a non-brokered private placement and strategic investment by Mr. Eric Sprott through 2176423 Ontario Ltd. for a total of \$2,000,000 representing a 8.5% stake in the Company post financing.

The offering will consist of 4,189,090 units priced at \$0.55 for gross proceeds of \$2,304,000. Each unit will consist of one common share plus one warrant to purchase an additional common share at \$0.86 for a twenty-four month period and subject to an accelerator clause. The Company shall have the right to accelerate the exercise period after the 4 month hold period has expired and its common shares close at or above \$1.50 for a period of 20 consecutive trading days. It is anticipated that the close will take place during the first week of March 2021.