NUBIAN RESOURCES LTD.

Management's Discussion and Analysis of Financial Position and Results of Operations for the period ended April 30, 2020

CONTAINING INFORMATION UP TO AND INCLUDING JUNE 30, 2020

Nubian Resources Ltd. ("Nubian" or the "Company") is listed on the TSX Venture Exchange ("TSX-V") under the trading symbol "NBR". The Company is a junior mineral exploration company whose mission is to create shareholder value by discovering and developing mineral resources which can be profitably exploited.

This management discussion and analysis ("MD&A") of the consolidated operating results and financial condition of the Company for the period ended April 30, 2020 have been prepared in accordance with International Financial Reporting Standards ("IFRS"). This MD&A is intended to help the reader understand the condensed consolidated financial statements of the Company.

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedure and internal controls and to ensure that information used internally or disclosed externally, including the financial statements and MD&A, is complete and reliable. The Company's board of directors follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The board's audit committee meets with management quarterly to review the financial statements including the MD&A and to discuss other financial, operating and internal control matters.

Readers should use the information contained in this report in conjunction with all other disclosure documents including those filed on SEDAR (www.SEDAR.com). Additional information relating to Nubian can be found on the Company's website www.nubianr.com.

All dollar amounts referred to in this discussion and analysis are expressed in Canadian dollars except where indicated otherwise.

The date of this MD&A is June 30, 2020.

Forward Looking Statements

Except for statements of historical fact, certain information contained herein constitutes forward-looking statements. Forward-looking statements are usually identified by the use of certain terminology, including "will", "believes", "may", "expects", "should", "seeks", "anticipates", or "intends" or by discussions of strategy or intentions. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results or achievements to be materially different from any future results or achievements expressed or implied by such forward-looking statements. Forward-looking statements are statements that are not historical facts, and include but are not limited to, estimates and their underlying assumptions; statements regarding plans, objective and expectations with respect to the effectiveness of the Company's business model; future operations, products and services; the impact of regulatory initiatives on the Company's operations; the size of and opportunities related to the markets for the Company's products; general industry and macroeconomic growth rates; expectations related to possible joint and/or strategic ventures and statements regarding future performance.

Forward-looking statements used in this discussion are subject to various risks and uncertainties, most of which are difficult to predict and generally beyond the control of the Company. If risks or uncertainties materialize, or if underlying assumptions prove incorrect, the Company's actual results may vary materially from those expected, estimated or projected. Forward looking statements in this document are not a prediction of future events or circumstances, and those future events or circumstances may not occur. Given these uncertainties, users of the information included herein, including investors and prospective investors are cautioned not to place undue reliance on such forward-looking statements.

Company Background

The Company is focused on precious metals with a goal to develop properties with an economical resource equivalent of a minimum of 1 million ounces of "inferred and indicated" gold within two to three years from acquisition. Opportunities outside the precious metal sector are to be developed in conjunction with joint venture partners specialized in the respective metal and location, with Nubian retaining an interest in cash-flow and property royalty.

On October 31, 2011, the Company purchased the Excelsior Springs gold property and eight additional properties, all comprising 217 unpatented mining claims in Nevada, Idaho, Montana and New Mexico, USA from Timber Wolf for a consideration of USD $260,000. Subsequent to the acquisition, the Company did not renew certain properties, retaining four of the nine properties, Excelsior Springs, Copper Hills, Dunfee and Palmetto.

On December 28, 2017, the Company entered into a binding agreement with Zinc One Resources Inc. to acquire the Esquilache Silver Lead Zinc Project comprising the historical Esquilache underground silver mine and the adjacent Virgen de Chapi prospect located in the Puno Department of Southern Peru. Under the terms of the agreement, Nubian agreed to pay $150,000 in cash (paid) and $450,000 in common shares of the Company (issued) calculated on the volume weighted average price for the 60 calendar days preceding the agreement date and four annual advanced Net Smelter Royalty (NSR) payments of $22,500 on December 27, 2018 (paid), $78,600 on July 5, 2019 $37, 000 on October 5, 2019 and $56,000 on January 5, 2020. The Company is also required to make 23 payments of $20,000 each between April 5, 2020 and October 5, 2025. The Project is subject to a 2% NSR of which Nubian will have the right to purchase 1% for $500,000 at any time, until the third anniversary of the first sale of gold, silver or concentrate. The Company filed a National Instrument 43-101 technical report on May 8, 2018, and the acquisition was finalised on July 30, 2018 with the issuance of 1,638,151 common shares.

On May 21, 2020, the Company entered into a binding letter of intent ("LOI"), subject to final due diligence and negotiation of definitive agreements, to acquire the Yandoit Gold Project, situated in the historic Daylesford gold corridor of central Victoria, Australia. The approximately 38 square kilometre (3,800 ha) property consists of one Mining Licence and one Exploration Licence, collectively the "Project". The vendor, B.S.B. Mining Pty Ltd. ("BSB Mining"), an arm's length party to Nubian, is currently finalizing the purchase of a second Exploration Licence that has six historic gold mines.

Under the terms of the LOI, Nubian has paid an AU$20,000 (approximately, C$18,300) deposit for an exclusivity period of 90 days during which time Nubian will undertake due diligence and complete a financing of a minimum of AU$650,000 (approximately, C$595,000) and the parties will negotiate and enter into a definitive agreement. As part of the LOI, BSB Mining will be granted 2% net smelter return royalty, which can be purchased by Nubian at AU$250,000 (approximately, C$229,000) at any time after 36 months from the definitive agreement date.

Under the terms of the LOI, Nubian will acquire the 60% interest in the Yandoit Gold Project in exchange for (i) a cash payment of AU$180,000 (approximately, C$165,000) on the definitive agreement date, (ii) the issuance, on the definitive agreement date, of AU$750,000 (approximately, C$686,500) of Nubian common shares priced at a $0.15 per common share (a maximum of approximately 4,600,000 common shares)), or at the share issuance price of its planned private placement; and (iii) the issuance on the date that is 18 months from the definitive agreement date of AU$750,000 (approximately, C$686,500) of Nubian common shares priced at the 20-day volume-weighted average price ("VWAP") immediately preceding such date, up to a maximum of approximately 4,600,000 common shares. Additional payments under the LOI include: (i) a one-time payment of AU$50,000 (approximately, C$45,800) due 12 months from the signing of the definitive agreement; (ii) the sum of AU$150,000 (approximately, C$137,300), payable, at the Company's election, in cash or in common shares of Nubian priced at the 20-day VWAP immediately preceding the date on which BSB

Mining provides confirmation to Nubian of the transfer to it of ownership of the second exploration license, up to a maximum of 920,000 common shares; and (iii) an exploration expenditure commitment of AU$1 million (approximately, C$915,400) in the 24 month period post the signing of the definitive agreement. To acquire the remaining 40% interest in the Project, Nubian has agreed to make a payment of AU$3.5 million (approximately, C$3.2 million) within 36 months of the date of the definitive agreement, payable in common shares of Nubian priced at the 20-day VWAP immediately preceding the date that is 36 months of the definitive agreement date.

Closing of the acquisition is expected to occur August 19, 2020 and is subject to, among other things, the receipt of all necessary approvals and all conditions having been satisfied or waived with respect to the terms of the LOI including the approval of the TSX Venture Exchange (the "Exchange").

Overview of Properties

United States

Excelsior Springs Project, Nevada

The Excelsior Springs project comprises granted mining claims covering an area of 3.5 square kilometres (km^2) including the historic Buster mine, which has past production of about 15,000 tonnes (t) at 37 grams per tonne (g/t) gold (Au) to a maximum depth of 70 metres (m).

Excelsior Springs is located in the Walker-Lane tectonic zone of southern Nevada, which hosts a number of large historic gold mines. Total gold production from the zone exceeded 20 million ounces (Moz), with notable deposits including Goldfield (5Moz), Bullfrog (2Moz), Tonopah (2Moz), Mineral Ridge (1.5Moz) and Comstock (8Moz Au, 200Moz Ag).

The Excelsior Springs property covers a 3km long, 300m wide zone of stockwork quartz vein-type gold mineralization hosted by altered limestone and calcareous sediments. Exploration over the property by Nubian included the analysis of 236 surface rock chip samples, which defined four separate areas of mineralization with values from 1 to 20 g/t Au. Only one of those four areas, the Buster mine, had been drilled previously. At the Buster mine, historic RC percussion drilling was undertaken over a strike length of 300m and probed to depths up to 120m. Most of the holes that targeted the main mineralized zone intersected gold mineralization.

On March 1, 2011, the Company sold an option to earn a 70% interest in the property to a wholly owned subsidiary of Global Geoscience Ltd. (Global), a public company listed on the Australian Securities Exchange. Global did not meet the Exploration and Development Work Expenditures commitment by December 31, 2015, and failed to meet its Earn-In-Obligation in the Excelsior Springs Project as per the March 1, 2011 Joint Venture agreement. The Joint Venture was therefore terminated. The Company owns 100% of the 140 unpatented claims of Excelsior Springs with two additional leased patented claims that are subject to a 2% NSR on gold production. Following is a summary of the exploration work undertaken by Global prior to termination of their option.

In 2011, Global completed 3,657m RC drilling to follow-up a number of prior drill intersections with significant intercepts from that drilling program being:

GE08: 7.6m at 5.1g/t Au from 93.0m
GE14: 7.6m at 2.9g/t Au from 19.8m
GE02: 3.0m at 4.7g/t Au from 0m
GE19: 6.1m at 1.9g/t Au from 117.3m and
GE15: 13.7m at 0.8g/t Au from 61.0m

Holes were generally drilled along north-south fences with 50-70m between holes and 100-600m between fences. All holes were drilled at 60 degrees dip towards grid north to depths between 100-220m. Water was injected during the drilling although all of the sample slurry was collected after splitting through a rotary cyclone splitter. Samples of between two and 10 kilograms were collected every 1.5m of hole length and dispatched to American Assay Laboratories in Reno for gold fire assay by method FA30.

Quality control included collection of one in 20 duplicate samples dispatched to the same laboratory and one in 30 samples sent to ALS Minerals in Reno and analysed for gold using a comparable fire assay method (method Au-AA23). Duplicate and repeat assaying gave an acceptable repetition of gold grades however some spottiness was noted.

Global also completed extensive surface work including a 3 km^2 Induced Polarization (IP) geophysical survey, geological mapping, re-logging drill chips and collection of more than 800 geochemical samples. This work led to the identification of three new targets none of which were drilled previously.

Global embarked on a second phase of exploration at the Excelsior property funded by Osisko Mining (USA), a subsidiary of Canadian gold producer, Osisko Mining Corporation (TSX:OSK) consisting of 10 RC holes. This drilling intersected wide zones of low-grade gold coincidental with high levels of arsenic, bismuth, molybdenum and tellurium, within altered and quartz-veined country rock. Alteration, quartz-veining and geochemical signature of the rocks intercepted suggest a nearby intrusive and assay results of drill holes GE 26 and 31 extend the zone of mineralization to 2.2km of strike and are further evidence of a large, concealed, intrusive-hosted gold system at Excelsior.

Gold mineralization discovered at Excelsior to date occurs in quartz vein stock-works and silicified zones in hornfels and calc-silicate altered country rock and generally close to porphyry dykes. The best mineralization (grade and thickness) is found in altered sediments immediately above porphyry dykes that have intruded along existing east and east-northeast trending faults. The mineralized stock-work vein zones are shallow and have a relatively flat plunge, making them amenable to open pit mining methods, if economic zones are outlined.

Exploration to date has focused on a 2.5 km long section in the central part of the zone where mineralization is at or near the surface. Surface mapping and an Induced Polarization (IP) geophysical survey have identified multiple zones of silicification that correlate well with the known mineralization. Many of the silicified zones defined by the IP (resistivity highs) have not been tested by drilling and remain targets for future exploration, approximately 4km of the zone is concealed beneath thin transported cover, in claims held by Nubian.

A *National Instrument* 43-101 technical report was filed by the Company on the Excelsior Springs Project in 2010.

Copper Hills Gold Project, New Mexico

The Company owns 10 unpatented claims in Socorro County, New Mexico on an extension of the Morenci copper trend from Arizona.

Dunfee Gold Project, Nevada

The Company owns 22 unpatented claims in a gold project in Gold Point Mining District, Esmeralda County.

Palmetto Silver-Gold Project, Nevada

The Company owns 9 unpatented claims in Esmeralda County.

Peru

Esquilache Silver Lead Zinc Project

The Esquilache Project is located in the Puno region in southeastern Peru, approximately 850 kilometres (km) southeast of Lima and 40 km southwest of the city of Puno, adjacent to Buenaventura's Chucapaca Gold/Silver deposit. The Project consists of two mining concessions covering an area of 1,600 hectares (ha) as well as the Virgen de Chapi extension located approximately 3 km south of the former Esquilache mill.

The Esquilache Projects contains three main mineralized zones – Sepulveda, Creston and Mamacocha where mineralization is widespread, high grade near surface and intersections remain open at depth. Highlights of the most recent 2015 drilling program from the former owner of the Project included:

- 2.0 metres of 977.0 g/t Ag + 4.88 g/t Au
- 5.65 metres of 304 g/t Ag
- 24.2 metres of 131 g/t Ag + 0.4 g/t Au
- 8.1 metres of 292 g/t Ag + 0.73 g/t Au
- 2.0 metres of 593 g/t Ag

When sufficient funding is in place, the Company plans to undertake early exploration work including compilation of data, geological targeting evaluation and definition to prioritize drilling targets, structural and alteration mapping, logging and interpretation and re-processing of existing geophysical data and scoping of surveys in advance of a planned drilling program.

Selected Financial Information

The following table sets out selected consolidated financial statements for the last three completed fiscal years under Canadian GAAP and IFRS:

		2019		2018		2017
Sales	$	-	$	-	$	-
Net Income (Loss) and Comprehensive Loss	$	(162,924)	$	(519,134)	$	(388,733)
Net Income (Loss) per share (basic and fully diluted)	$	(0.01)	$	(0.02)	$	(0.02)
Total Assets	$	1,194,433	$	1,398,630	$	473,207
Long Term Financial Liabilities	$	33,892	$	41,801	$	49,892
Cash Dividends per share	$	-	$	-	$	-

The following tables set out selected results of operations for each of the eight most recently completed quarters:

	Quarter ended April 30, 2020	Quarter ended January 31, 2020	Quarter ended October 31, 2019	Quarter ended July 31, 2019
Sales	$ -	$ -	$ -	$ -
Loss from continuing operations	$ (43,615)	$ (155,215)	$ (113,084)	$ (29,777)
Loss per share from continuing operations - basic and fully diluted	$ (0.00)	$ (0.01)	$ (0.00)	$ (0.00)
Loss and comprehensive loss	$ (43,615)	$ (155,215)	$ (113,084)	$ (29,777)
Loss per share - basic and fully diluted	$ (0.00)	$ (0.01)	$ (0.00)	$ (0.00)

	Quarter ended April 30, 2019	Quarter ended January 31, 2019	Quarter ended October 31, 2018	Quarter ended July 31, 2018
Sales	$ -	$ -	$ -	$ -
Loss from continuing operations	$ (27,156)	$ (50,613)	$ (55,378)	$ (252,898)
Loss per share from continuing operations - basic and fully diluted	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.01)
Loss and comprehensive loss	$ (27,156)	$ (50,613)	$ (55,378)	$ (261,700)
Loss per share - basic and fully diluted	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.01)

Results of Operations

For the quarter ended April 30, 2020 compared to the quarter ended April 30, 2019

For the quarter ended April 30, 2020, the Company recorded a loss from continuing operations of $43,615 compared to a loss of $27,156. For the nine months ended April 30, 2020, the Company recorded a loss from continuing operations of $198,830 compared to a loss of $133,147. This increase in loss was mainly the result of the share-based compensation on the stock options issued in the period.

Exploration and Evaluation Assets

	July 31, 2018	Costs for the year	July 31, 2019	Costs for the period	April 30, 2020
Acquisition Costs	$ 848,287	$ -	$ 848,287	$ -	$ **848,287**
Exploration Costs					
Assaying and sampling	21,086	-	21,086	-	**21,086**
Claim staking	36,500	-	36,500	-	**36,500**
Geological consulting	60,426	-	60,426	-	**60,426**
Licences, permits and fees	121,700	96,245	217,945	40,605	**258,550**
Office administration	101,028	43,752	144780	9,091	**153,871**
Royalty advances	-	22,500	22,500	-	**22,500**
Sub-total	340,740	162,497	503,237	49,696	**552,933**
	1,189,027	162,497	1,351,524	49,696	**1,401,220**
Option fees received, net	(93,800)	-	(93,800)	-	**(93,800)**
Lease revenues received	(153,206)	-	(153,206)	-	**(153,206)**
Total expenditures	$ 942,021	$ 162,497	$ 1,104,518	$ 88,674	$ **1,154,214**

	July 31, 2018	Costs for the year	July 31, 2019	Costs for the period	April 30, 2020
Analyzed by property					
Excelsior Springs, Nevada	$ 107,855	$ 51,047	$ 158,902	$ 35,393	**$ 194,294**
Palmetto, Nevada	24,658	1,854	26,512	2,034	**28,546**
Dunfee, Nevada	45,645	4,535	50,180	4,950	**55,130**
Copper Hills, New Mexico	33,944	2,062	36,006	2,241	**38,247**
Total US Properties	212,102	59,498	271,599	44,618	**316,217**
Esquilache, Peru	729,919	103,000	832,919	5,078	**837,997**
Total expenditures	$ 942,021	$ 162,497	$ 1,104,518	$ 49,696	**$ 1,154,214**

Liquidity

The Company had a working capital deficiency of ($349,636) as at April 30, 2020 compared to a working capital deficiency of ($210,120) at July 31, 2019 mainly due to capitalized BLM fees and Esquilache costs, offset by short-term loans of $60,000 which resulted in the Company's total assets increasing by $19,212 to $1,213,645 at April 30, 2020 from $1,194,433 at July 31, 2019.

Capital Resources

The Company's authorized capital consists of an unlimited number of common shares without par value.

<u>During the year ended July 31, 2019:</u>

On May 29, 2018, the Company announced its intention to undertake a non-brokered private placement of up to 2,000,000 units ("Units") at a price of CDN $0.25 per Unit to raise gross proceeds of up to CDN $500,000, with each Unit consisting of one common share in the capital of the Company and one-half of a transferable share purchase warrant and each whole warrant entitling the holder thereof to purchase one additional common share in the capital of the Company for a period of twenty-four months from the closing date, at a purchase price of CDN $0.40 per share, provided, however, that, if, at any time following the expiry of the statutory four month hold period, the closing price of the common shares on the TSX Venture Exchange is greater than $0.50 for 20 or more consecutive trading days, the Warrants will be accelerated and the Warrants will expire on the 20th business day following the date of such notice (the "2018 Private Placement"). On July 24, 2018, the Company closed the first tranche of the 2018 Private Placement through the issuance of 1,600,000 common shares and 800,000 warrants. On August 1, 2018, the Company closed the 2018 Private Placement through the issuance of 400,000 common shares and 200,000 warrants.

On September 17, 2019, the Company issued 1,000,000 share purchase options exercisable at $0.15 until September 17, 2022 to certain directors, officers and consultants. The options were valued at $96,000.

On February 7, 2020, the Company issued 150,000 share purchase options exercisable at $0.12 until February 7, 2023 to a director of the Company. The options were valued at $15,000.

At April 30, 2020, the Company had 30,290,924 (July 31, 2019 – 30,290,924) issued and outstanding common shares.

On May 28, 2020, the Company announced its intention to undertake a non-brokered private placement of up to 10,000,000 units ("Units") at a price of CDN $0.15 per Unit to raise gross proceeds of up to CDN $1,500,000, with each Unit consisting of one common share in the capital of the Company and one-half of a transferable share purchase warrant and each whole warrant entitling the holder thereof to purchase one additional common share in the capital of the Company for a period of twenty-four months from the closing date, at a purchase price of CDN $0.20 per share, provided, however, that, if, at any time following the expiry of the statutory four month hold period, the closing price of the common shares on the TSX Venture Exchange is greater than $0.50 for 20 or more consecutive trading days, the Warrants will be accelerated and the Warrants will expire on the 20th business day following the date of such notice (the "2020 Private Placement"). On June 26, 2020, the Company closed the 2020 Private Placement through the issuance of 11,763,542 common shares and 5,881,766 warrants. Finders' fees in the amount of $54,660 in cash and 364,400 broker warrants exercisable at $0.15 into units on the same terms as the private placement were issued to registered dealers.

Significant Accounting Judgments and Estimates

The preparation of the consolidated interim 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 condensed consolidated interim financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the condensed consolidated interim 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 may affect both the period of revision and further periods.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the statement of financial position date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- the recoverability of proceeds receivable which are included in the condensed consolidated interim statement of financial position;
- the carrying value and recoverable amount of exploration and evaluation assets; and
- the inputs used in accounting for share-based payments expense in the condensed consolidated interim statements of operations and comprehensive loss.

Off-balance Sheet Arrangements

The Company did not enter into any off-balance sheet arrangements during the period.

Proposed Transactions

Other than the binding LOI, subject to final due diligence and negotiation of definitive agreements to acquire the Yandoit Gold Project outlined in Company Background above, the Company does not currently have any proposed transactions approved by the Board of Directors. All current transactions are fully disclosed in the audited consolidated financial statements for the year ended July 31, 2019 and the condensed consolidated financial statements for the nine months ended April 30, 2020.

Future Accounting Pronouncements

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any of these standards and is currently evaluating the impact, if any, that these standards might have on its consolidated statements.

IFRS 9 Financial Instruments replaces the current standard IAS 39 Financial Instruments: Recognition and Measurement, replacing the multiple classification and measurement models in IAS 39 with a single model that has only two classification categories: amortized cost and fair value. IFRS 9 prohibits reclassifications except in rare circumstances when the entity's business model changes. The new standard removes the requirement to separate embedded derivatives from financial asset hosts. It requires a hybrid contract to be classified in its entirety at either amortized cost or fair value. IFRS 9 is effective for annual reporting periods beginning on or after January 1, 2018.

Risk Factors

The Company is engaged in the exploration for mineral deposits. These activities involve significant risks which even with careful evaluation, experience and knowledge may not, in some cases, be eliminated. The Company's success depends on a number of factors, many of which are beyond its control. The primary risk factors affecting the Company include inherent risks in the mining industry, metal price fluctuations and operating in foreign countries and currencies.

(a) Inherent risks within the mining industry

The commercial viability of any mineral deposit depends on many factors, not all of which are within the control of management. Some of the factors that will affect the financial viability of a given mineral deposit include its size, grade and proximity to infrastructure. Government regulation, taxes, royalties, land tenure and use, environmental protection and reclamation and closure obligations could also have a profound impact on the economic viability of a mineral deposit.

Mining activities also involve risks such as unexpected or unusual geological operating conditions, floods, fires, earthquakes, other natural or environmental occurrences and political and social instability. It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks as a result of high premiums or for other reasons. The Company does not currently maintain insurance against political or environmental risks. Should any uninsured liabilities arise, they could result in increased costs, reductions in profitability, and a decline in the value of the Company's securities.

There is no assurance at this time that the Company's current mineral properties will be economically viable for development and production.

(b) Prices for gold and base metals

Metal prices are subject to volatile price fluctuations and may have a direct impact on the future commercial viability of the Company's exploration properties. Price volatility results from a variety of factors, including global consumption and demand for metals, international economic and political trends, fluctuations in the US dollar and other currencies, interest rates, and inflation.

(c) Foreign currency risks

The Company uses the Canadian dollar as its measurement and reporting currency, and therefore fluctuations in exchange rates between the Canadian dollar and other currencies may affect the results of operations and financial position of the Company. The Company does not currently have any foreign currency or commercial risk hedges in place. The Company raises the majority of its equity financings in Canadian dollars while expenditures related to foreign operations are predominately incurred in US dollars. Fluctuations in the exchange rates between the Canadian dollar, US Dollar may impact the Company's financial condition.

(d) Risks Associated with Foreign Operations

The Company's investments in foreign countries such as the U.S. and Peru carry certain risks associated with different political, business, social and economic environments. The Company will undertake new investments only when it is satisfied that the risks and uncertainties of operating in different cultural, economic and political environments are manageable and reasonable relative to the expected benefits. Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyance and regulatory characteristics of property rights in certain foreign countries.

Future government, political, legal or regulatory changes in the foreign jurisdictions in which the Company currently operates or plans to operate could affect many aspects of the Company's business, including title to properties and assets, environmental protection requirements, labor relations, taxation, currency convertibility, repatriation of profits or capital, the ability to import necessary materials or services, or the ability to export produced materials.

Related Party Transactions

The following Director transactions and Related Party balances pertain solely to Nubian.

(a) Director transactions

For the nine months ended April 30, 2020

	Management & consulting Fees	**Share-based payments**	**Interest paid on related party loans**	**Total**
	$	$	$	$
Executive Directors*	13,500	28,800	-	42,300
Non-executive Directors*	-	49,400	1,875	51,275

For the three months ended April 30, 2019

	Management & consulting Fees	Share-based payments	Interest paid on related party loans	Total
	$	$	$	$
Executive Directors*	4,500	-	-	4,500
Non-executive Directors*	-	11,000	625	11,625

(b) Related party balances

	April 30, 2020	July 31, 2019
Accounts payable	**$ -**	$ -
Advances due	**-**	-
Promissory notes payable with interest at 10%	**25,000**	25,000
Accrued interest on promissory note	**10,767**	8,892
	$ 35,767	$ 33,892

*Paid to directors, non-executive directors, and/or companies controlled by those individuals. All balances owing are unsecured with no fixed terms of repayment.

Financial Instruments and Risk Management

Financial assets and financial liabilities are measured on an ongoing basis at fair value or amortized cost. The disclosures in the notes to these consolidated financial statements describe how the categories of financial instruments are measured and how income and expenses, including fair value gains and losses, are recognized.

As at April 30, 2020, the classification of the financial instruments and as their carrying values and fair values are shown in the table below:

	Level	FVTPL	Loans and receivables/ amortized cost	Fair value/ amortized cost
Financial assets				
Cash	1	$ 55,787	$ -	$ 55,787
Assets held for sale	2	1	-	1
		$ 55,788	$ -	$ 55,788
Financial liabilities				
Accounts payable	3	$ -	$ 107,962	$ 107,962
Accounts payable on assets held for sale	3	-	238,880	238,880
Unsecured promissory notes	3	-	35,767	35,767
Loans payable		-	61,653	61,653
		$ -	$ 444,262	$ 444,262

Currency Risk

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company operates in Canada, United States of America and Peru and a portion of its expenses are incurred in United States dollars ("USD"). A significant change in the currency exchange rates between the Canadian dollar and the US dollar could have an effect on the Company's results of operations, financial position or cash flows.

The Company has not hedged its exposure to currency fluctuations. At April 30, 2020, the Company was exposed to currency risk through the following assets and liabilities denominated in USD.

		April 30, 2020		July 31, 2019
Cash	**$**	**1,817**	$	308
Assets held for sale	**$**	**1**	$	1
Accounts payable and accrued liabilities	**$**	**238,880**	$	(242,731)

Based on the above net exposures at April 30, 2020, and assuming that all other variables remain constant a 10% appreciation or depreciation of the Canadian dollar against the USD would result in an increase/decrease of $24,000 in the Company's loss from operations.

Controls and Procedures

In contrast to the certificate required under National Instrument 52-109 Certificate of Disclosure in Issuers' Annual and Interim Filings (NI 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109, in particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

(a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

(b) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate.

Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.